Foreign Affairs and International Trade Canada | Affaires étrangères et Commerce international Canada

Department of Foreign Affairs and International Trade

Departmental Performance Report 2008-2009

The Honourable Stockwell Day
Minister for International Trade

The Honourable Lawrence Cannon
Minister of Foreign Affairs

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The Honourable Stockwell Day
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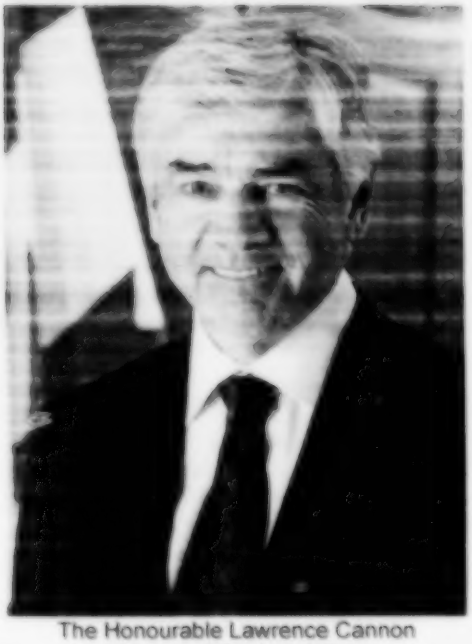


The Honourable Lawrence Cannon
Minister of Foreign Affairs

As Ministers of the Department of Foreign Affairs and International Trade (DFAIT), we are pleased to present the 2008-2009 *Departmental Performance Report*—a results-oriented overview of DFAIT's accomplishments over the last year.

In an interconnected world, Canada's future is highly dependent on what happens beyond our borders. From dramatic changes in geopolitical realities, to evolving issues around security, health, the environment and energy, to the ongoing pressures on Canada's business community to compete, trade and invest in a world constrained by the current economic downturn, the services DFAIT provides to Canadians, at home and abroad, are more important than ever.

In 2008-2009, DFAIT made enormous strides in its mission to serve Canadians and advance Canada's interests in the world.

Perhaps the most far-reaching challenge facing DFAIT during the year was the worldwide economic slowdown. In the face of this challenge, Canada boldly continued an aggressive strategy to open doors for Canadian businesses and investors in global markets. Under DFAIT's leadership, Canada successfully negotiated or launched a number of free trade agreements, foreign investment promotion and protection agreements, and science and technology cooperation agreements to help Canadians participate in global commerce opportunities and compete around the world. As part of ongoing efforts to implement Canada's Global Commerce Strategy, the department opened new trade offices in Brazil, China, India and Mongolia to build on commercial connections in these key markets and lay the foundation for tomorrow's jobs and prosperity.

In a volatile world, security and stability continue to be at the forefront of DFAIT's work, and Canada's ongoing participation in Afghanistan was a key priority. While serious challenges remain, Canadians can take great pride in our many military, humanitarian and diplomatic contributions to this NATO-led mission. In Africa, the department continued to support peacekeeping and peacebuilding efforts, including in Sudan, where DFAIT supported 25 projects. In the Middle East, DFAIT worked in support of peace and its assistance was directed at building the capacity of security institutions.

The department also played a leadership role in coordinating Canada's responses to economic, financial and food crises around the world, including humanitarian support and food aid in Africa, and responses to natural disasters in

Burma, Haiti and China. Over the latter part of 2008-2009, DFAIT concentrated on a highly strategic, whole-of-government approach to handling these issues, starting with preparation for, and active participation in, two related G20 leaders summits.

Closer to home, the department played a central role in establishing early, constructive relationships with the incoming Obama administration. In the Americas as a whole, the department continued to advance Canada's vision for a more secure, democratic and prosperous hemisphere.

DFAIT is also leading the development of Canada's Arctic policy. As an Arctic nation and an Arctic power, Canada views the North as a central component of its past, present and future. Through our robust Arctic foreign policy we are affirming our leadership, stewardship and ownership in the region, including by opening a dedicated Canadian International Centre for the Arctic Region in Oslo, Norway, to help promote Canadian interests and influence key partners to better understand emerging issues in this critical area.

In 2008-2009, DFAIT continued to provide extensive consular services worldwide (8.5 million requests for service), while leading the Government of Canada's response to major international disasters. Meanwhile, the department expanded the scope of its consular services and emergency management, and increased the number of points of service worldwide in response to client demand.

Last fiscal year, Passport Canada met a high level of demand for travel documents, issuing more than four million passports. It also made strides to strengthen its services through greater use of state-of-the-art technology and by expanding its service network.

To support all of this work, Canada's representation abroad has increased significantly in recent years. Meanwhile, traditional diplomacy has expanded to include new methods of interaction, new and strengthened collaborations with partners and enhanced communications using new media.

This is the environment in which DFAIT operates, and it provides a great opportunity to continue putting the department's global expertise to use for the benefit of Canadians and others in the international community. There is no doubt that constant, and sometimes very sudden, change is a defining feature of the world today. But as the results described in this document clearly show, DFAIT is adapting, and adapting well, to this ever-evolving world.

We invite all Canadians to learn more about the department's work by reading this report and by exploring the department's extensive website (www.international.gc.ca/international/index.aspx?lang=eng).

Together with partners and stakeholders in Canada and abroad, DFAIT is strengthening Canada's voice in the world and providing the services that Canadians need to succeed in a challenging global environment.

Executive Summary

DFAIT is among the most complex departments in the Government of Canada, responsible for the conduct of Canada's international affairs, including global trade and commerce. The scope of its mandate and the complexity of its activities require two representatives in the federal Cabinet: Minister of Foreign Affairs Lawrence Cannon and Minister for International Trade Stockwell Day. Correspondingly, DFAIT also has two deputy ministers: Leonard J. Edwards (Foreign Affairs), and Louis Lévesque (International Trade).

DFAIT is the leader across government in shaping Canada's responses to international issues and events, managing bilateral and multilateral relationships and delivering international programs. The department supports an extensive program of activities by its ministers, as well as those of other departments, to build stronger relations with their counterparts around the world. This work allows Canada to advance its economic and political interests, to be more engaged in the international community and to assist Canadians working and living abroad.

The department manages Canada's network of missions abroad, which provides the infrastructure that enables the international work of 30 partner departments and agencies. In 2008-2009, Canada's international platform consisted of over 260 points of service worldwide, including 173 missions in 110 countries. The department had more than 10,000 employees located at headquarters in Ottawa, regional offices across Canada and missions abroad. Its activities were a blend of policy, program and services to Canadians. The variety and range of its activities in 2008-2009 are demonstrated in this report—from engaging in and concluding ground-breaking trade negotiations with various countries worldwide, to brokering a joint border management plan between Afghanistan and Pakistan, to helping to evacuate Canadians from Gaza.

The department has three strategic outcomes (i.e. Canada's International Agenda, International Services for Canadians, and Canada's International Platform). The first strategic outcome is about the practice of Canadian advocacy and diplomacy while reflecting the country's interests and values. The second outcome comprises provision of international commercial, consular and passport services to Canadians. The third refers to the department's management of missions abroad on behalf of the Government of Canada.

1. Canada's International Agenda

Pursuing economic opportunities with a focus on growing/emerging markets. Consistent with the government's overall focus on the economy, DFAIT's top priority in 2008-2009 was pursuing economic opportunities for Canadians, including development of policy responses to the economic crisis; supporting the Prime Minister's participation in G8 and G20 meetings; and sharing Canada's experiences in developing a sound and stable financial system.

DFAIT continued to implement the government's Global Commerce Strategy, pursuing an ambitious bilateral agenda to secure competitive terms of access for Canadian businesses and to attract and encourage global investment. This included tabling legislation to implement new free trade agreements (FTAs) with Peru, Colombia and the European Free Trade Association; concluding FTA negotiations with Jordan; launching FTA negotiations with Panama; announcing exploratory trade talks with India; and completing a joint economic study with the European Union to lay the foundation for the launch of negotiations on a comprehensive economic and trade agreement.

The department also worked closely with provinces, territories and municipalities as well as with American interlocutors to ensure that goods and services continued to flow freely across the Canada-United States border, notably by advocating for access for Canadian businesses affected by the "Buy American" provisions of the United States *Recovery and Reinvestment Act*.

With Asia Pacific economies performing well despite the economic crisis and with Asian countries increasingly critical partners in terms of trade, global financial stability, environment and health, Canada has acted to deepen economic and political contacts, notably in China and India.

Canada-United States relationship. Given the two countries' high degree of economic integration, the United States remains Canada's most important economic and security partner, with some $2 billion in goods and services crossing the border daily. The inauguration of President Obama in January 2009 created a unique opportunity for Canada to renew its engagement with the United States. His visit to Canada the next month—his first trip as president to a foreign state—reinvigorated the bilateral dialogue and set the stage for deepened discourse on economic growth and restructuring, climate change, energy security, the Arctic and international security. DFAIT planned and implemented a comprehensive strategy to engage the new administration, and provided support for some 25 visits by Canadian government ministers to the United States.

Afghanistan. Canada's mission in Afghanistan is designed to protect the security of Canada and its allies against the threat of future terrorism. Canada is helping to lay the foundation for a strong and stable central government that can build unity and improve the lives of the Afghan people. DFAIT worked closely with federal partners to establish benchmarks pertaining to the Government of Canada's six priorities in Afghanistan. Three of these priorities fall within

the department's purview, playing a leadership role in development of the Afghan National Security Forces in Kandahar, border security and dialogue between Afghanistan and Pakistan, and political reconciliation. Regarding the first priority, the department made progress against the benchmarks established for training and mentoring of the Afghan National Army and the Afghan National Police. DFAIT disbursed over $42 million for security sector development in Afghanistan through the Global Peace and Security Fund and spent $21 million on police, corrections and justice programming. Canada also made important progress against the benchmarks established for fostering border security and dialogue between Afghanistan and Pakistan, bringing officials from those two countries together in Dubai, where they adopted a joint border management plan. Regarding benchmarks for the third priority, Canada made progress in facilitating Afghan-led efforts toward political reconciliation, including support for governance institutions. In addition, Canada's efforts contributed to adoption of NATO's political-military plan for Afghanistan.

Americas: Canada brings to the Americas a vision based on three core objectives: strengthening support for democratic governance, enhancing the prosperity of Canadians and other citizens of the Americas, and building a safe and secure hemisphere. To reinforce the Canadian values of open, democratic societies and market-based economies, DFAIT helped assert Canada's leadership role in the fifth Summit of the Americas, the Organization of American States General Assembly, and the APEC (Asia-Pacific Economic Cooperation) meeting in Peru. DFAIT's work in the Americas led to new initiatives, including the Emerging Leaders in the Americas Program (scholarships for exchanges and research) and activities related to counterterrorism and anti-crime capacity building.

Other global challenges: Canada has been a major player in encouraging international cooperation on issues related to the Arctic. In 2008-2009, DFAIT coordinated Canadian participation in the Arctic Council foreign ministers meeting, which endorsed the Tromsø Declaration that will guide the work of the Arctic Council over the next two years. At the meeting, DFAIT announced the launch of a Canadian International Centre for the Arctic Region, to be based in Oslo, Norway.

DFAIT led development of federal responses to crises related to food and natural disasters around the world, supporting regional development banks, providing humanitarian assistance after three major international disasters (Burma, Haiti, China), and disbursing $65 million for humanitarian assistance and food aid in Africa.

The department supported Canada's diplomatic efforts in the Middle East, reaffirming Canada's position on the need for a two-state solution and Israel's right to defend itself. DFAIT actively promoted Canada's campaign for a two-year term on the United Nations Security Council, and successfully led the United Nations resolution on the human rights situation in Iran. It also worked with federal partners to improve the effectiveness of the International Assistance Envelope, and supported Canada's work in fragile states, such as Haiti and Sudan. Finally, DFAIT continued to promote freedom, democracy, human rights and the rule of law through the UN and other multilateral forums in order to address critical situations and major destabilizing events in countries like Belarus, Burma, Georgia, Iran and Zimbabwe.

2. International Services for Canadians

Passport services: Passport Canada is responsible for issuing secure travel documents to Canadians, facilitating travel and contributing to international and domestic security. There were 4,375,278 passports issued in 2008-2009. Overall, 98.7 percent of completed applications were processed within service standards.

Efforts to streamline the process and improve service delivery in 2008-2009 proved successful. The proportion of applicants using the simplified renewal process grew to 40 percent, and satisfaction with overall service increased from 89 percent in 2007-2008 to 96 percent.

Passport Canada was well prepared to meet demand flowing from U.S. implementation of passport requirements for land and water entry that took effect on June 1, 2009. During the first stage of implementation of the U.S. Western Hemisphere Travel Initiative (WHTI) in the summer of 2007, the turnaround time for passport applications by mail in Canada climbed to approximately 60 days. By comparison, the turnaround time during the second stage of WHTI implementation in June 2009 was 12 days. Efficiency gains achieved through initiatives such as the simplified passport renewal process allowed for a $29 million reinvestment in internal capacity to improve service delivery. By implementing changes in postal handling and other initiatives, Passport Canada was able to offset an additional $12 million in program management costs.

Commercial services: Given the continued dramatic growth of emerging markets around the world, DFAIT established new Trade Commissioner Service (TCS) offices in China, India, Mongolia and Brazil, as well as new regional offices in Canada. These new offices will help Canadian businesses and investors seize emerging commercial opportunities in these markets and many others around the world. In 2008-2009, the department delivered over 33,000 key services to business and partner clients. This represents a 3.5 percent increase from the previous fiscal year. The department also provided services to close to 12,000 Canadian and partner clients, an increase of 2.5 percent from 2007-2008. The department has posted more than 600 market reports on the Virtual Trade Commissioner website.

The TCS network currently lists over 43,000 Canadian companies in its business contact management system, in addition to more than 6,000 active partner organizations. The economic downturn has made attraction of investment particularly challenging, but DFAIT continued to make concerted efforts on this front. The department also developed approaches for using the Vancouver 2010 Winter Games as a platform to advance Canada's commercial outreach in priority markets in Asia, Europe and North America.

Consular services: Several factors have had significant consequences for the consular program, including the changing profile of Canadian travellers, their increased travel to remote and dangerous destinations, their pursuit of business in areas of the world that involve heightened political and economic risks, and the growing impact of natural disasters worldwide.

In 2007-2008, the most recent year for which statistics are available, Canadians took close to 50 million international trips. In addition, an estimated 2.5 million Canadians live abroad. Over the last five years, demand for consular services has increased by 32 percent. In response, the Government of Canada committed to additional investments ($18 million per year), beginning in the 2008 federal Budget, to strengthen consular services.

In 2008-2009, DFAIT expanded its consular program and added three points of consular service (bringing the total to over 260) in order to support the increased number of Canadians abroad. The department established a new Consular Services and Emergency Management Branch to better prepare Canadians for travel and to assist them abroad. During the fiscal year, more than 8.5 million consular services were accessed, through phone calls, visits to the website, correspondence and departmental publications. Some 1,600 Canadians were assisted in more than 26 crises or emergencies abroad. A good deal has been done over the past year to improve consular services, and the department will continue to focus on making improvements in the coming year, particularly through greater coordination of these services at missions abroad. Nevertheless, challenges remain in a world in which personal security is an increasingly important consideration for Canadians abroad.

3. Canada's International Platform

DFAIT is mandated to provide common services for the Government of Canada's international program. Common services consist of the infrastructure, staff and services required to enable Canada's representation abroad. The International Platform Branch, established in April 2008, manages Canada's network of missions abroad. Canada's presence abroad includes 30 federal departments, agencies, Crown corporations and provincial governments, delivering a vast array of programs. As of November 2008, Canada's network abroad was made up of 7,305 Canada-based staff and locally engaged staff employed in 173 missions in 110 countries as well as in 17 regional offices across Canada.

In addition to delivering common services abroad, the International Platform Branch specializes in identifying efficiencies to produce savings that can be reinvested in other departmental programs. In 2008-2009, the International Platform Branch's contribution to the DFAIT reallocation priority was $35.4 million. In 2009-2010, the Branch's contribution will reach $53.8 million. Examples of efficiencies achieved include streamlined governance of common services; application of the common services model (a benchmarking tool for determining appropriate common service resources at missions); development and implementation of measurable service standards; development of new space standards for chanceries; development of regional services centres for the Europe, Middle East and Africa, Asia-Pacific and Americas regions; and encouragement of greater use of e-collaboration and video-conferencing.

Transformation

In keeping with the results of its 2007 strategic review, the department continued to undergo significant transformation for the purpose of reinvigorating its structure and operations, and creating a modern, integrated foreign and trade ministry. To this end, DFAIT has streamlined its governance structure, in alignment with its Program Activity Architecture; implemented multi-year integrated planning; established the Geographic Group and the International Platform Branch to ensure greater cohesion and coherence of activities; created the office of Chief Financial Officer, the Departmental Audit Committee and the position of Chief Audit Executive to enhance accountability; established a strategic human resources plan that expands foreign-language training and introduces new approaches to spousal employment abroad; and targeted commercial strategies to priority markets and sectors, in alignment with the government's Global Commerce Strategy. The department developed a plan to increase the number of staff abroad by 400, with a target date of 2011-2012. DFAIT's internal reallocation to fund the deployment abroad includes a reduction in headquarters staff over five years. Reductions made in year one (2007-2008) and year two (2008-2009) represented 160 full-time equivalents.

Financial Summary

In 2008-2009, DFAIT spent a total of $3,193.3 million. As the table below indicates, DFAIT's budget is divided into two components: Foreign Affairs and International Trade; and Export Development Canada (EDC) (the Canada Account).

Financial Resources ($ millions)			
2008-2009	Planned Spending	Total Authorities	Actual Spending
Total for DFAIT	2,371.6	18,566.4	3,193.3
Export Development Canada (Canada Account)	92.4	15,988.5	693.7
Foreign Affairs and International Trade	2,279.2	2,577.9	2,499.6

EDC is a Crown corporation in DFAIT's portfolio that provides financing and insurance solutions to Canadian companies. Under the *Export Development Act*, the Minister for International Trade (with the concurrence of the Minister of Finance) may authorize EDC to undertake loans that go beyond its normal risk parameters but that are deemed by the government to be in the national interest. Such loans are facilitated through the Canada Account. EDC administers the Canada Account, and DFAIT is responsible for reporting accounting transactions made between the government and EDC that affect the Canada Account. These transactions have no impact on DFAIT spending, since they are separately funded through legislated statutes.

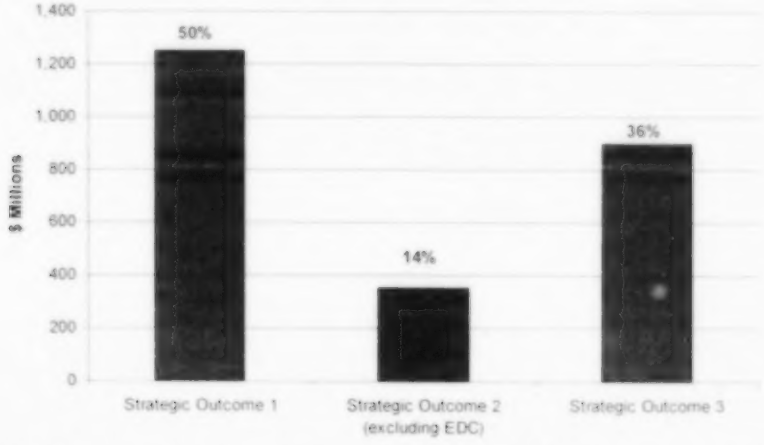
The maximum amount available from the Canada Account was increased from $13,000 million to $20,000 million (slightly over $4,000 million in spending was cumulative up to and including fiscal year 2008-2009). On the EDC line in the table above, total authorities refer to the maximum amount available in 2008-2009 from which loans and contingent liabilities could be made from the Canada Account. On the same line, actual spending refers to loans made from the Canada Account during the fiscal year, most of which were unplanned disbursements in response to the economic downturn.

With respect to the line in the table above concerning the Foreign Affairs and International Trade component, while there was a variance between planned and actual spending, the department remained within its total authorities granted by Parliament. The variance occurred because of the following unforeseen expenditures, which are not included in the planned spending figure but are included in total authorities and actual spending:

- funding to compensate for foreign currency losses ($52.9 million);
- funding for the embassy in Kabul, Afghanistan ($33.2 million);
- net voted revenues authorized by Parliament for the department to respend revenues collected during the year ($25.3 million);
- reinvestment of revenues from the sale of real property abroad ($24.1 million); and
- numerous smaller amounts, totalling about $163.2 million.

DFAIT's 2008-2009 actual spending was allocated by strategic outcome as follows:

DFAIT Spending by Strategic Outcome



About 50 percent ($1,248.5 million) of the department's actual spending ($2,499.6 million) was related to the practice of diplomacy and advocacy in support of Canadian interests and values abroad. This included $497.2 million in assessed contributions to international organizations such as the United Nations Organization, including its

peacekeeping operations, and the World Health Organization. It also included $166.5 million for the Global Peace and Security Fund as well as $115.5 million for the G8 Global Partnership Program.

About 14 percent ($353.3 million) of actual spending was related to providing international services to Canadians and to Canadian business. This included over $55 million spent on the Global Commerce Strategy, $18 million toward fulfilling the mandate of the new Consular Services and Emergency Management Branch, and over $44 million (net) spent by Passport Canada.

The remaining 36 percent ($897.8 million) was spent on support for the international platform used by DFAIT and other departments and agencies. This included $187 million spent at headquarters in support of Canada's network of missions abroad, and $415 million spent at missions abroad to cover expenditures related to common services. Expenditures related to internal services amounted to over $170 million, and were allocated against the three strategic outcomes.

Like other federal departments and agencies, the department faces budgetary constraints. Since 2004, DFAIT has made cumulative contributions to government-wide reallocation exercises of over $253.0 million ($131.0 million in 2008-2009).

Excluding the 2006-2007 one-time authorities and spending, DFAIT's spending has on average increased by 7 percent year over year. This growth in spending is mainly related to an increase in funding for the following initiatives:

- the Global Peace and Security Fund;
- the G8 Global Partnership Program;
- implementation of the Global Commerce Strategy;
- work related to the Canada-United States Softwood Lumber Agreement; and
- transfers received from federal partners in support of their staff working at Canada's missions abroad.

Conclusion

In 2008-2009, DFAIT made a constructive contribution to global affairs and advanced Canadian interests internationally, as shown by the principal accomplishments noted in this summary. It strengthened commercial ties with emerging and priority markets by establishing several new free trade and other agreements with a range of countries worldwide and by increasing commercial service delivery capacity in these markets. It established constructive relations with the new United States administration, and advanced key foreign policy and commercial objectives in the priority area of the Americas. It made progress against the government's benchmarks related to Canada's contribution to the NATO mission in Afghanistan. And it made headway in modernizing and transforming the department's overall operations.

Starting with the 2008 Budget, the Government of Canada committed to further investments ($18 million per year) to strengthen delivery of consular services. DFAIT clients noted favourable overall levels of satisfaction in various feedback surveys during the fiscal year pertaining to consular, commercial and passport services rendered. With regard to Canada's international platform, DFAIT also received favourable responses from client surveys, including from its partners operating at missions abroad. The department generated financial efficiencies in delivery of passport services and in management of Canada's international platform, efficiencies that are being reinvested in other departmental programs.

1. Section 1: Departmental Overview

1.1 Overview Information

This *Departmental Performance Report* (DPR) provides Canadians with information on what the department achieved in 2008-2009 by comparing actual results with previously stated plans and priorities (see the 2008-2009 *Report on Plans and Priorities*, available at www.tbs-sct.gc.ca/rpp/2008-2009/inst/ext/ext01-eng.asp). At the same time, this report includes information about DFAIT's expected medium-term results and long-term results (see the section on Program Activity Architecture below).

1.1.1 Raison d'être

As the federal government's centre of expertise on foreign affairs and international trade, the department promotes Canada's interests, the security and prosperity of Canadians, and advances the Canadian values of freedom, democracy, human rights and the rule of law. This department provides ongoing benefits to Canadians by:

- leading a government-wide approach to formulating and implementing policies on foreign affairs and international trade, as well as related programs;
- concentrating on the department's core business in order to advance Canada's global agenda as it relates to the key issues of peace and security, trade and investment, and international law and human rights, while making full use of the department's geographic expertise worldwide;
- promoting international trade and commerce through initiatives such as negotiation of agreements to open and/or expand markets, facilitation of two-way trade and investment, and encouragement of innovation by means of international partnerships for science and technology commercialization;
- offering international commercial, consular and passport services as well as timely and practical information on international issues and travel, enabling Canadians to participate in the international community; and
- managing Canada's missions worldwide (the Government of Canada's international platform) from a government-wide perspective.

1.1.2 Responsibilities

The founding legislation is the *Department of Foreign Affairs and International Trade Act*, RSC 1985, c. E-22, which lists the department's legislated responsibilities (www.dfait-maeci.gc.ca/department/mandate-en.asp).

The Government of Canada has a formal presence in most of the world's independent states, providing over 260 points of service worldwide. Canada's network of 173 missions abroad integrates and coordinates the government's international activities. Mission activities include advocating Canadian policies and perspectives internationally; building and maintaining relationships to raise Canada's profile and help advance advocacy of Canadian objectives; interpreting local views and information in terms of what they mean to Canada and Canadians; managing Canada's international business development; providing consular and passport services; and supplying infrastructure and services to enable the international operations of federal and other partners working at missions abroad.

The department also serves the foreign diplomatic community accredited to Canada. At present, there are over 8,000 foreign representatives and accredited members of their families in Canada.

The department's regional offices in Canada provide international commercial services to Canadian businesses. These services include export strategies, foreign market intelligence, and information on trade fairs, missions and other events. In addition, Passport Canada has 33 passport-issuing offices across Canada. Passport service is also available at 141 Service Canada offices and 56 Canada Post outlets.

1.1.3 Strategic Outcomes

DFAIT's Program Activity Architecture (PAA) clearly identifies the department's strategic direction by listing its three complementary strategic outcomes (i.e. the long-term, enduring benefits to Canadians that the department strives to achieve). The first strategic outcome is about the practice of Canadian advocacy and diplomacy while reflecting the country's interests and values. The second is about the provision of international commercial, consular and passport services to Canadians. The third is about the department's management of missions abroad on behalf of the Government of Canada. Together, the strategic outcomes reflect the department's leadership role in formulating, coordinating and carrying out the federal government's foreign and trade policies and programs. The department's strategic outcomes provide the foundation for all its activities.

Cascading downward in a logical manner from the three strategic outcomes in the PAA are the department's seven supporting program activities.

In carrying out *International Policy Advice and Integration*, the department provides strategic direction, intelligence and advice on foreign policy and economic issues; researches and analyzes foreign and trade policy issues; drawing

on input from across the department as well as from federal partners, develops policies and programs to address those issues, and ensures coherence, integration and coordination of foreign and trade policies and programs across government.

In undertaking *Diplomacy and Advocacy*, DFAIT engages Canadian stakeholders and partners as well as foreign governments and international players, raises awareness and understanding of Canada's policies, interests and values as they pertain to the government's international agenda, and delivers programs on Canada's behalf to address specific international issues.

In relation to *International Commerce*, the department works to expand the participation of Canadian business in world markets and to increase the interaction of Canadian entrepreneurs with global business partners, and promotes Canada as a competitive location and partner for investment, innovation and value-added production.

With respect to *Consular Affairs*, DFAIT provides Canadians with information and advice on safe travel to foreign countries, and helps Canadians abroad to handle trouble or emergencies.

Passport Canada—a special operating agency—focuses on management and delivery of passport services. It is responsible for the issuance, revocation, refusal, recovery and use of Canadian passports.

With respect to *Canada's International Platform: Support at Headquarters*, the department manages and delivers common services to all federal departments and partners with representation at Canada's missions abroad.

With regard to *Canada's International Platform: Support at Missions Abroad*, DFAIT ensures that common services are in place at missions and coordinates them on site to support the international operations of the entire Government of Canada as well as the operations of other partners with representation at the missions.

1.1.4 Program Activity Architecture

Strategic Outcome 1: Canada's International Agenda	Strategic Outcome 2: International Services for Canadians	Strategic Outcome 3: Canada's International Platform
The international agenda is shaped to Canada's benefit and advantage in accordance with Canadian interests and values.	Canadians are satisfied with commercial, consular and passport services.	The Department of Foreign Affairs and International Trade maintains a mission network of infrastructure and services to enable the Government of Canada to achieve its international priorities.
Program Activity 1: International Policy Advice and Integration	Program Activity 3: International Commerce	Program Activity 6: Canada's International Platform: Support at Headquarters
Program Activity 2: Diplomacy and Advocacy	Program Activity 4: Consular Affairs Program Activity 5: Passport Canada	Program Activity 7: Canada's International Platform: Support at Missions Abroad
Program Activity: Internal Services Without Internal Services, the department could not carry out its mandated functions or advance its strategic outcomes. Treasury Board of Canada Secretariat now considers Internal Services to be a program activity and divides those services into three broad categories: governance and management support; resource management services; and asset management.		

1.1.5 Operating Environment and Risk Analysis

The highly volatile international environment in which the department operates means that its activities and operations are constantly affected by unpredictable global trends and events. A major objective of the department's ongoing transformation process is to ensure that it can be as flexible as possible in addressing sudden changes in its priorities as a result of external challenges.

Risks may be defined as the effect of uncertainty on the achievement of an organization's objectives and outcomes. Such uncertainty can be proactively addressed by identifying potential events and estimating their likelihood and impact. However, it should be noted that mitigation, especially in dealing with externally oriented risks, is usually more complicated to achieve, particularly in the short term. The ongoing integration of risk management, planning and performance functions at DFAIT assists in addressing such challenges.

Six of the 15 strategic risks identified by the department in its 2008-2009 *Report on Plans and Priorities* had a more important influence on its priorities and expected results. These six risks are economic conditions, unanticipated external policy shifts, hostile actions, international instability, catastrophic disasters and human capital.

Economic conditions and unanticipated external policy shifts. Without question, the main external factor for governments in all developed countries in 2008-2009 was posed by the global economic crisis, which has resulted in a significant reorientation in priorities and programs. The department's 2008-2009 *Report on Plans and Priorities* referred to rising worldwide concerns about the health of the global economy, the state of financial markets and the threat of recession. In addition, the global economic downturn has generated concerns about growing protectionism in the United States (e.g. the "Buy American" requirements of the American *Recovery and Reinvestment Act* of 2009) and in many other countries.

Integration and coordination of the Government of Canada response to *hostile actions, international instability* and *catastrophic disasters* affecting Canadians abroad. There continues to be concern in Canada and the international community about safety and security issues, international pandemics, the environment, international crime and terrorism, and crisis or instability in global hot spots. These issues have required integrated and coordinated responses from the Government of Canada, led by this department. In addition, more and more Canadians are travelling and living abroad, which places greater demands on the department's consular, passport and emergency management services.

Human capital. The most significant internal risk to the department's activities is related to its management of human resources. DFAIT is a knowledge-based organization, and its success depends on attracting, developing and retaining a highly skilled workforce. Of DFAIT's10,292[1] staff members, 4,990 are Public Service employees, governed by the *Public Service Employment Act*, and 5,302 are locally engaged staff who work at Canada's missions abroad, subject to local labour laws. The Public Service employees are divided into two groups: rotational and non-rotational.

The table below summarizes the key risks that influenced the department's expected results and priorities, the main mitigation strategies, and the implications for the department's performance.

1.1.6 Key Risks That Influenced the Department's Expected Results and Priorities in 2008-2009

Key Risks	Linkages	Mitigation Strategies	Summary of Performance
Economic conditions and unanticipated external policy shifts	Strategic Outcome (SO) 1, 2 Program Activity (PA) 1, 2, 3	Global Commerce Strategy and intelligence from missions	Launched the Global Commerce Strategy and maximized opportunities for Canada in selected markets such as the Americas and including emerging markets such as India and China. Developed a whole-of-government Canada-United States engagement strategy endorsed by the Prime Minister. Directed additional resources to address Canada-EU negotiations and to negotiate a positive outcome to the negative implications on the Canadian economy of the "Buy American" requirements of the U.S. stimulus legislation. Directed a whole-of-government engagement strategy to prevent the introduction of a ban on the import of seal hunt products to the European Union.
Integration and coordination of the Government of Canada's response to hostile actions, international instability and catastrophic disasters affecting Canadians abroad	SO 1, 2, 3 PA 1, 2, 4, 5, 7	Robust consular contingency plans and warden networks Standard operating procedures to manage the response to catastrophic natural disasters, ongoing training; use of a crisis module, crisis centre roster and 24/7 Emergency Watch and Response Centre Close monitoring by mission political staff Robust security training and procedures to mitigate hostile actions	Led whole-of-government efforts to resolve kidnappings of Canadians and obtained positive resolutions to the kidnappings of Melissa Fung, Robert Fowler, Louis Guay, Stephanie Jodoin and Julie Mulligan. Developed a whole-of-government critical incident strategy for civilians deployed in Afghanistan. Supported UN Middle East resolutions that foster peace and do not single out Israel; supported capacity building for Palestinian Authority security institutions. Led whole-of-government response to three major international natural disasters (Burma, Haiti, China) and to 10 moderate scale disasters.

[1] This number includes indeterminate and term employees only as of March 31, 2009.

Key Risks	Linkages	Mitigation Strategies	Summary of Performance
Human capital	SO 1, 2, 3 and Internal Services	2008-2009 Public Service Renewal Action Plan	Developed a strategic human resources plan; hired 167 new employees, exceeding target of 150; doubled Afghanistan staffing; developed a new approach to spousal employment abroad; provided 1,001 DFAIT staff with foreign-language training

The department will continue to identify key risks and monitor the efficacy of its mitigation strategies. DFAIT will also continue to strengthen its integrated risk management function to meet evolving risk exposures and to create tangible improvements in strategic planning, service delivery, policy making, decision making and accountability. With regard to risk management practices, the department will continue to develop guidance and tools to support a balance between accountability and the web of rules and to make sure that employees are ready to take well-informed risks.

1.2 Performance Summary

1.2.1 Performance Assessment Methodology

Each year, DFAIT ensures that its annual planning and evaluation are conducted using logical and transparent processes. First, the department's governance structure is aligned with its Program Activity Architecture (PAA) to ensure logic and coherence in its operations and in its reporting to Parliament (through the *Report on Plans and Priorities* and the *Departmental Performance Report*). This process engages all senior managers. Departmental units that report directly to the deputy ministers produce the information required for the two reports, and the governance boards, which are linked to the three strategic outcomes of the department, review the RPP and DPR. In addition, the Departmental Audit Committee, made up largely of experts from outside the department, assesses the quality and credibility of the two reports.

Second, the department conducts business planning and performance reporting in alignment with its PAA.

Third, the department's governance boards review the annual business plans from across the organization. The department uses the plans to guide preparation of performance management agreements for its senior executives and, thereafter, to generate performance agreements for the rest of its staff, in accordance with its Performance Management Program. DFAIT also uses the plans to prepare its yearly RPP.

Fourth, the department assesses its success in carrying out the business plans in its annual DPR, using input from the branches that has been approved by the assistant deputy ministers and assessed against RPP commitments, and using the department's latest Management Accountability Framework (MAF) assessment by Treasury Board Secretariat (TBS) as well as the latest draft of DFAIT's Performance Measurement Framework. The Framework, based on the PAA, specifies long-term outcomes and performance measures for each level of the PAA. (The department is now in the process of finalizing its Performance Measurement Framework in collaboration with TBS.)

The MAF is a government-wide evaluation of departmental management performance, while the Performance Measurement Framework is to be used by this department to assess the performance of its program activities. This *Departmental Performance Report* makes use of both the latest MAF scores and the draft Framework in describing DFAIT's 2008-2009 performance. In the department's most recent MAF assessment, its ratings improved in seven of the 21 categories rated and did not decline in any area. In fact, DFAIT has doubled its overall scores in the past year alone. The department's MAF ratings over the last three years demonstrate that this organization has improved the way it serves employees, the government as a whole and Canadians. Furthermore, DFAIT's performance compares favourably with that of other departments.

With respect to the performance indicators cited in this *Departmental Performance Report*, readers should note:

- When the 2008-2009 RPP was being prepared, the department's Performance Measurement Framework was still in development (i.e. not completed or approved). The performance indicators noted in the RPP were identified by DFAIT managers as the most practical and credible at the time. Since then, some indicators have been modified, based on new information from branch managers or on the latest draft of the Performance Measurement Framework.
- In keeping with TBS demands for more concise reporting to Parliament, the department has had to summarize its performance indicators for this report.

This subsection presents a snapshot of DFAIT's overall performance in 2008-2009, by comparing what the department said it would do (from the year's *Report on Plans and Priorities*) with what it actually did. The first table below (1.2.2) identifies planned and actual resources (human and financial) for the entire department. The second table (1.2.3) provides more detail by breaking information down by program activity, noting for each the planned and actual resources, performance indicators, targets and key accomplishments of the year. It also shows how each

program activity aligns with the department's three strategic outcomes as well as with Government of Canada outcomes.

1.2.2 Resource Utilization

2008-2009 Financial Resources			2008-2009 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
2,371.6	18,566.4	3,193.3	12,976	12,622	(354)

Full-time equivalents (FTEs) are different from the number of staff the department has. An FTE is equivalent to a full-time worker, and an FTE of 0.5 is equivalent to one half-time worker.

1.2.3 Performance Summary Table by Strategic Outcome

Strategic Outcome 1: Canada's International Agenda

Performance Indicators	Targets	2008-2009 Performance
Percentage of international partners and institutions that recognize and support key Canadian positions	Specific targets were under development in 2008-2009	• Canadian-led United Nations declaration on the human rights situation in Iran passed at the UN General Assembly • Successful launch of the Global Commerce Strategy, which included negotiation and conclusion of FTAs and FIPAs with priority countries and regions
Percentage of self-evaluations reporting that Canada's policies and interests have been advanced, either bilaterally or multilaterally		• Canadian economic, financial and development interests and policies were reflected in key G20 outcome documents and statements • Continued delivery of Canada's Afghan priorities through diplomacy and the delivery of international programming, including working toward the department's transition targets for 2011

2008-2009 ($ millions)

Program Activity	Main Estimates	Planned Spending[1]	Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
International Policy Advice and Integration	135.2	140.0	150.8	150.3	A Safe and Secure World Through International Cooperation
Diplomacy and Advocacy	922.4	1,061.0	1,102.1	1,098.2	A Safe and Secure World Through International Cooperation
Total Strategic Outcome 1	1,057.6	1,201.0	1,252.9	1,248.5	

Note: 2007-2008 comparative figures are not available due to implementation of the new Program Activity Architecture effective April 1, 2008. Please refer to the 2007-2008 DPR (www.tbs-sct.gc.ca/dpr-rmr/2007-2008/inst/ext/ext01-eng.asp#section1.3).

Strategic Outcome 2: International Services for Canadians

Performance Indicator	Targets	2008-2009 Performance
Level of satisfaction with consular, passport and commerce services provided by the department	Specific targets were under development in 2008-2009	• 93% of Canadians who received consular services were satisfied or very satisfied, according to surveys • Client satisfaction with passport services up 7 points from the preceding year, to 96%, according to client surveys • 2008-2009 client surveys for Trade Commissioner Service (TCS) scheduled for autumn 2009

[1] Excluding revenues credited to the vote.

2008-2009 ($ millions)					
Program Activity	Main Estimates	Planned Spending[3]	Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
International Commerce					A Prosperous Canada Through Global Commerce
DFAIT component	228.3	236.6	259.6	258.6	
EDC component	92.4	92.4	15,988.5[4]	693.7	
Total International Commerce	320.7	329.0	16,248.1	952.3	
Consular Affairs	37.8	42.9	53.5	49.9	A Safe and Secure World Through International Cooperation
Passport Canada	0.0	0.0	100.8	44.8	A Safe and Secure World Through International Cooperation
Total Strategic Outcome 2	358.5	371.9	16,402.4	1,047.0	

Note: 2007-2008 comparative figures are not available due to implementation of the new Program Activity Architecture effective April 1, 2008. Please refer to the 2007-2008 DPR (www.tbs-sct.gc.ca/dpr-rmr/2007-2008/inst/ext/ext01-eng.asp#section1.3)

Strategic Outcome 3: Canada's International Platform		
Performance Indicator	Targets	2008-2009 Performance
Level of satisfaction of clients who respond favourably to common services provided	Specific targets were under development in 2008-2009	• Satisfaction with the overall quality of service delivery was assessed in a pilot client survey: 69% of the Canada-based staff (CBS) and 72% of the locally engaged staff (LES) were satisfied

2008-2009 ($ millions)					
Program Activity	Main Estimates	Planned Spending[5]	Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
Canada's International Platform: Support at Headquarters	259.3	265.8	328.6	317.6	A Safe and Secure World Through International Cooperation A Prosperous Canada Through Global Commerce
Canada's International Platform: Support at Missions Abroad	524.1	532.9	582.5	580.2	A Safe and Secure World Through International Cooperation A Prosperous Canada Through Global Commerce
Total Strategic Outcome 3	783.4	798.7	911.1	897.8	

[3] Excluding revenues credited to the vote
[4] Total authorities include an amount of $9,715.2 million that is available from previous years for loans administered by EDC through The Canada Account
[5] Excluding revenues credited to the vote

Note: 2007-2008 comparative figures are not available due to implementation of the new Program Activity Architecture effective April 1, 2008. Please refer to the 2007-2008 DPR (www.tbs-sct.gc.ca/dpr-rmr/2007-2008/inst/ext/ext01-eng.asp#section1.3).

In the following table (1.2.4), readers will find the department's 2008-2009 priorities presented slightly differently from the manner in which they are shown in the year's *Report on Plans and Priorities*. The RPP identifies the priorities related to Afghanistan, North America and the hemisphere, growing/emerging markets and DFAIT's transformation agenda as the year's *key* priorities (i.e. those that correspond directly to government-wide priorities, particularly those noted in the October 2007 Speech from the Throne). The other priorities in the table below were identified in the RPP as *ongoing* priorities (i.e. those that reflect important year-over-year work), based on the department's mandate. All priorities identified in the RPP and repeated below link to the three strategic outcomes listed in the department's Program Activity Architecture.

It should also be noted that the 2008-2009 RPP cautioned that, since unforeseen developments at home and abroad can require adjustments to the best-laid plans, the department was prepared to respond and make changes rapidly, as required. The onset of the global economic downturn in late 2008 represented such a development. As a result, this *Departmental Performance Report* also highlights work done to address that significant issue.

1.2.4 Contribution of Priorities to Strategic Outcomes Table

Operational Priorities	Status	Linkages and Type of Priority[6, 7]
Afghanistan: Canada's mission in Afghanistan is designed to protect the security of Canada and its allies against the threat of future terrorism. Canada is helping to lay the foundation for a strong and stable central government that can build national unity and improve the lives of the Afghan people.	**Met all expectations in terms of results** • Disbursed over $42 million for security sector development in Afghanistan through the Global Peace and Security Fund. • Spent $21 million spent on police corrections and justice programming to promote the rule of law. • Brokered a joint border management plan between Afghan and Pakistani officials. • Canada was the main driver behind adoption of NATO's vision statement and political-military plan for Afghanistan. • Provided monetary support and technical advice to promote women's rights in Islamic law, through the Afghan Ministry of Justice. • Significantly augmented Canada's civilian presence in Kandahar, from 15 to 63 civilian personnel.	SO 1, 2, 3 PA 1, 2, 3, 4, 5 New
North America and the Hemisphere: The change in the United States administration presented a critical opportunity to reinvigorate the close bilateral relationship and to advance cooperation on key issues. In the Americas, continued priority was given to increased engagement in the region for a more secure, democratic and prosperous hemisphere.	**Met all expectations in terms of results** • Canada hosted President Obama on his first official international visit. • Achieved further engagement with Mexico on bilateral regional issues, notably human rights, indigenous issues, disarmament, UN reform and environmental policy. • Deepened cooperation between Canada and the United States through an agreement on joint monitoring of implementation of that country's Western Hemisphere Travel Initiative and establishment of a border facilitation working group. • Actively coordinated with the United States and Mexico to advance coherent and cooperative positions at the G20, Organization of American States (OAS) and North American Leaders Summit. • Canada coordinated with the United States to shape the agendas of NATO and the Organization for Security and Co-operation in Europe (OSCE) in order to make a meaningful contribution to the security of North America. • Disbursed $20 million in programming to police, justice, corrections, border issues and human rights in Haiti and Colombia. • Established a rapid response mechanism with the Mexican Ministry of Foreign Affairs to jointly manage complex consular cases. • Coordinated successful testing of the ePassport with the United States Department of Homeland Security, enhancing border security and cooperation. • Demonstrated continued leadership and focused, comprehensive engagement in the Americas to advance Canada's vision for a more	SO 1, 2 PA 1, 2, 3, 4, 5 New

[6] Strategic Outcomes (SO), Program Activities (PA) and Type of Priority (new or ongoing).
[7] See Section 2 of this report for the lessons learned related to information presented in this table.

Operational Priorities	Status	Linkages and Type of Priority[6, 7]
	secure, democratic and prosperous hemisphere. • Led whole-of-government presence in the Americas through increased number of incoming and outgoing high-level visits (incoming visit of Chilean President Bachelet in June 2008, outgoing visit of Prime Minister Harper to Peru in November 2008, and 19 outgoing ministerial visits from April 2008 to March 2009) and the appointment of a Minister of State of Foreign Affairs with special responsibility for the Americas. • Expanded Canada's global commerce network in the Americas, particularly in Brazil following the visit of 10 deputy ministers under the leadership of DFAIT, and in the Andean region with the signature of free trade agreements (FTAs) with Peru and Colombia; to meet increasing needs and opportunities; worked toward concrete solutions to the global economic crisis, working to temporarily increase the Inter-American Development Bank's lending capacity; and hosted the Caribbean Development Bank meeting, further strengthening ties between Canada and the Caribbean. • Allocated one third of Glyn Berry Program funding to support democracy in the Americas, notably in the Andean region (including projects to support youth engagement in the democratic process in Venezuela); provided support to OAS efforts to strengthen democratic norms in the region and to the implementation of the Inter-American Democratic Charter; worked toward the creation of a Democracy Network in the Andean Region to increase Canada's diplomatic presence and capacity to address democratic challenges in the region. • Increased collaboration with hemispheric partners to address crime and insecurity in the region, including through the chairmanship of the OAS Committee on Hemispheric Security, and collaboration with the Department of National Defence for the hosting of the Conference of Defence Ministers of the Americas; worked toward the creation of a Security Network in Central America to increase Canada's diplomatic presence and capacity to address security challenges in the region; worked toward the establishment of an Anti-Crime Capacity Building Program to support the capacity-building initiatives of Canada's regional partners; through the Counter-Terrorism Capacity Building Fund, allocated $4.8 million for bilateral support to the Caribbean region and Central America to enhance regional stability and security; provided continued leadership in Haiti and support to the Colombia peace process through the Stabilization and Reconstruction Task Force (START); worked with the UN regional platform in the Americas to promote disaster preparedness.	
Growing/emerging markets, with a focus on China and India: Canada must secure favourable terms of access to key markets as well as to the investment and innovation opportunities where Canadian commercial interests are greatest.	**Met all expectations in terms of results** • Opened new offices with Trade Commissioner Service staff in China, India, Mongolia and Brazil to meet increasing demand from Canadian business clients. • Concluded FTA negotiations with Jordan; tabled legislation to implement FTAs with the European Free Trade Association (Iceland, Liechtenstein, Norway and Switzerland), Peru and Colombia; launched FTA negotiations with Panama; completed a joint study and joint report with the European Union, which led to the launch of negotiations toward a comprehensive economic and trade agreement in May 2009;[8] announced exploratory talks with India and Morocco; concluded foreign investment promotion and protection agreements (FIPAs) with Kuwait and Madagascar as well as science and technology cooperation agreements with Brazil and Chile; initiated FIPA negotiations with Bahrain and Tunisia; made further progress in ongoing negotiations with China, Indonesia, Mongolia, Poland, Tanzania and Vietnam. • Introduced the campaign called 2010 Reasons to Do Business in Canada to promote Canada's commercial advantages in Asia, Europe and North America, leveraging the Vancouver 2010 Winter	SO 1, 2, 3 PA 1, 2, 3, 7 New

[8] www.international.gc.ca/trade-agreements-accords-commerciaux/assets/pdfs/EU-CanadaJointStudy-en.pdf

Operational Priorities	Status	Linkages and Type of Priority[6, 7]
	Games. • Collaborated on a whole-of-government approach to policies and positions on China. • Through active engagement in the World Trade Organization (WTO), G20 and Asia-Pacific Economic Cooperation forum (APEC), the department advanced Canadian interests in growing and emerging markets for Canadian exporters, including the tracking of protectionist actions taken by other countries in the wake of the economic crisis. • Two of three Canadian-supported claims were upheld against China in intellectual property cases at the WTO. • Calls for proposals under the International Science and Technology Partnership Program resulted in 20 projects worth $11 million, involving researchers in Canada and China, and eight projects worth over $17 million, involving researchers in Canada and India.	
A safer, more secure and prosperous Canada within a strengthened North American partnership: In an increasingly global economy, Canada benefits from constructive relations with its neighbours to ensure that the continent remains economically dynamic and secure.	**Met all expectations in terms of results** • Through the Security and Prosperity Partnership and the North American Platform Program, facilitated North American cooperation on issues ranging from emergency management to smart and secure borders, disaster risk management, and Haiti. • Participated in a United States-led counterterrorism assessment, the findings of which were positive about Canada's efforts in general. • Worked within the UN regional platform in the Americas to promote disaster preparedness. • Defended Canada's interests by engaging the United States on bilateral issues such as the "Buy American" provisions in the U.S. economic stimulus legislation.	SO 1, 2 PA 1, 2, 3 Ongoing
Greater economic competitiveness for Canada through enhanced commercial engagement, secure market access and targeted support for Canadian business: Canada's prosperity depends on enhanced competitiveness, market access as well as identification and pursuit of economic opportunities.	**Met all expectations in terms of results** • Concluded FTA negotiations with Jordan; tabled legislation to implement FTAs with the European Free Trade Association, Peru and Colombia. • Launched FTA negotiations with Panama and negotiations for a Comprehensive Economic and Trade Agreement with the European Union (see Program Activity 3 in Section 2 for more detail on FTAs). • Concluded FIPA negotiations with Kuwait and Madagascar and initiated FIPA negotiations with Bahrain and Tunisia. • Partnered in a pilot project to identify public infrastructure opportunities in Central and South America, yielding one memorandum of understanding and six business leads. • Undertook trade missions with Canadian business delegates and developed targeted market plans for priority markets, including Argentina, Uruguay, Chile, China, Libya, South Africa and countries of the European Union. • Provided 681 referrals of potential foreign investors to domestic partners in investment attraction, such as the provinces and territories. • Marketed the Asia-Pacific Gateway and Corridor to 42 of the world's largest shippers. • Introduced an advertising campaign to raise the level of awareness of TCS products and services among exporters, investors and innovative companies.	SO 1, 2 PA 1, 2, 3 Ongoing
Greater international support for freedom and security, democracy, rule of law, human rights and environmental stewardship: Canadian values, and their projection abroad, are key to this country's prosperity and to global security.	**Met all expectations in terms of results** • Through the Counter-Terrorism Capacity Building Program, provided $11 million to states to improve their ability to prevent and respond to terrorist activity. • Led the UN General Assembly resolution focusing international attention on the human rights situation in Iran. • Led preparation and policy development for the 2008 Francophonie Summit and the Canada-EU Summit, which were successfully delivered in Quebec City in October 2008. • Canada championed the movement for improved data collection on drugs in the Inter-American Drug Abuse Control Commission and the	SO 1, 2 PA 1, 2, 3, 4 Ongoing

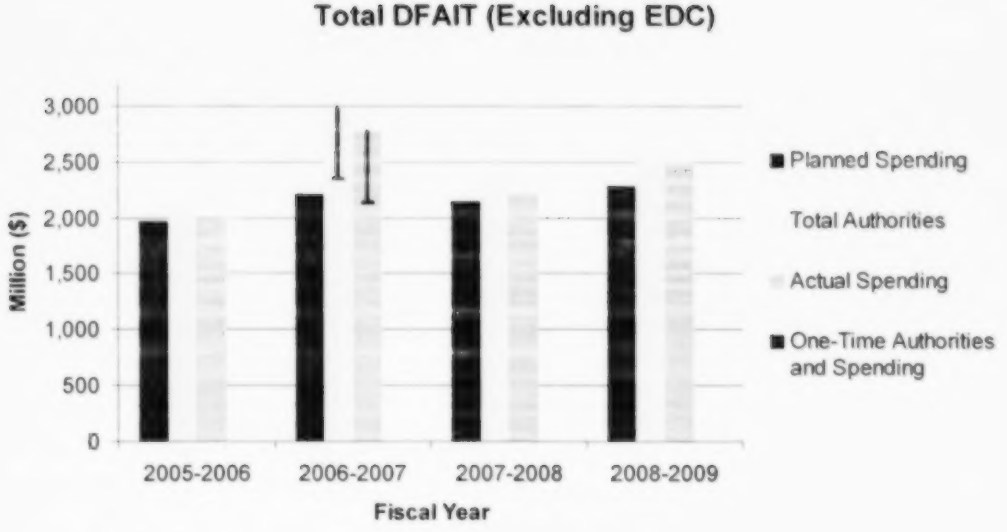
Operational Priorities	Status	Linkages and Type of Priority[6, 7]
	UN Commission on Narcotic Drugs (the position adopted by both). • Developed whole-of-government policy positions on global issues, including climate change, energy, food security, human rights and development, for the 2008 G8 Summit, and prepared for Canada's 2010 G8 presidency. • Led Canada's policy development for the UN-endorsed Contact Group on Piracy off the Coast of Somalia, and supported Transport Canada in the International Maritime Group's Maritime Security Committee. • Coordinated and delivered Canada's human rights presentation to the UN Human Rights Council, under the Universal Periodic Review. • As a result of the Global Peace Operations Program, Canada was one of only three G8 members to be compliant with the 2008 G8 commitments for peace operations capacity. • Through the Global Peace and Security Fund, 25 projects in Sudan were supported, with over $50 million in funding for peacebuilding and recovery.	
Accountable and consistent use of the multilateral system to deliver results on global issues of concern to Canadians: Canada's membership in a range of multilateral organizations provides opportunities to advance its interests and values across a broad spectrum of issues with many members of the international community.	**Met all expectations in terms of results** • Prepared for Canada's 2010 G8 presidency. • Advanced key Canadian political and economic interests and values through participation in the Francophonie Summit, the G20 and 2008 APEC meetings. • Advanced key Canadian interests and values in the Americas through participation in the OAS General Assembly, the Inter-American Development Bank and the Caribbean Development Bank. • Worked closely with host Trinidad and Tobago on the logistics and substantive front to deliver a productive Summit of the Americas in April 2009. • Developed and coordinated Canada's policy positions on education at almost 50 multilateral ministerial and working-level conferences (e.g. UNESCO, the Organisation for Economic Co-operation and Development [OECD], the OAS) and finalized international education agreements with Chile, Poland and Spain. • Advanced Canada's climate change priorities at the UN Framework Convention on Climate Change. • Represented Canada's interests in 13 ongoing disputes at the WTO. • Undertook extensive lobbying to advance Canada's candidacy for a UN Security Council seat for 2011-2012, which has resulted in growing support.	SO 1, 2 PA 1, 2, 3 Ongoing
Strengthened services to Canadians, including consular, passport and global commercial activities: Engagement of Canadians in the international community depends to a large extent on these services.	**Met all expectations in terms of results** • Established a new branch to deal exclusively with consular affairs. • Developed a publication to enable Canadians planning a trip to Mexico to better understand Mexican criminal law. • Enhanced the provision of assistance to some 1,600 Canadians in 26 crises or emergencies, through strengthened departmental capacity. • Opened 40 new passport receiving agents. • Developed and piloted the ePassport to strengthen passport services for Canadians by means of easier and more accurate data control. • Opened nine new Trade Commissioner Service offices: five abroad and four in Canada. • Organized six trade missions abroad involving Canadian business delegates. • Enhanced Canada's import-export permits system and issued 600,000 permits, covering goods with a value of over $15 billion. • Increased use of social media (podcasts, videocasts, etc.) to help Canadians looking to do business abroad.	SO 2, 3 PA 3, 4, 5, 7 Ongoing

Management Priorities	Status	Linkages to Strategic Outcomes (SO)
Launch of the department's transformation process, including meeting the challenge of strengthening Canada's global mission network: This priority is in keeping with the results of the department's 2007 strategic review, the purpose of which was to reinvigorate the department's structure and operations.	**Met all expectations in terms of results** • Streamlined governance structure, in alignment with DFAIT's Program Activity Architecture. • Implemented multi-year integrated planning. • Established the Geographic Group and the International Platform Branch to ensure greater cohesion and coherence of their activities. • Created the Office of Chief Financial Officer, the Departmental Audit Committee (DAC) and the position of Chief Audit Executive to enhance accountability. • Established a strategic human resources plan that expands foreign-language training and introduces new approaches to spousal employment abroad. • Targeted commercial strategies to priority markets and sectors, in alignment with the government's Global Commerce Strategy. • Developed and implemented a plan to move 400 staff abroad by 2011-2012, which included reducing FTEs at headquarters by 160 in year one (2007-2008) and year two (2008-2009).	SO 1, 2, 3
Strengthened stewardship of the department's resources (human, financial, physical and technological) and of Canada's international representation generally, reflecting alignment with Government of Canada priorities: Ensuring value for taxpayers' money and the most effective application of resources are critical factors in all departmental operations and activities.	**Met all expectations in terms of results** • Established a corporate governance structure consisting of seven boards and committees. • Departmental Audit Committee was active in its role advising Deputy Ministers. • Improved targeted employee equity representation (women, Aboriginal peoples, persons with disabilities and visible minorities). • Established a Chief Financial Officer position to modernize financial and procurement management, and implemented a risk-based model for international financial operations. • Created a new division responsible for financial policies, internal controls and training. • Developed a results-based integrated human resources plan, with the goal of renewing DFAIT's aging workforce and putting a premium on learning.	SO 3 PA 1, 6, 7 and Internal Services

1.2.5 Expenditure Profile

Actual spending for 2008-2009 was $3,193.3 million. Of this amount, $693.8 million represents actual spending for the Crown corporation Export Development Canada (EDC) and its Canada Account.[9] EDC's Canada Account transactions are not considered budgetary expenditures within the context of the DFAIT budget. Therefore, the EDC amounts have been excluded from the chart below.

[9] DFAIT is responsible for the Canada Account, which is administered by Export Development Canada, pursuant to section 23 of the *Export Development Act*. The *Budget Implementation Act, 2009*, expanded EDC's mandate for two years to include the support and development of domestic trade, in addition to its traditional mandate related to export trade. The Canada Account supports transactions that, although within the scope of EDC's authority, are considered to be outside its risk parameters. Such transactions may be conducted under the Canada Account if deemed to be in Canada's national interest by the Minister for International Trade and the Minister of Finance.



The rate of 2008-2009 actual spending remained in line with the department's total authorities. Three DFAIT program activities accounted for a significant portion of expenditures, as follows:

- $1,098.3 million for Diplomacy and Advocacy;
- $580.2 million for Canada's International Platform: Support at Missions Abroad; and
- $317.6 million for Canada's International Platform: Support at Headquarters.

In the chart above, the two lines at the top of the block showing financial information for 2006-2007 represent one-time authorities and spending, which accounted for the significant increase in planned spending that year compared with the other fiscal years presented. These one-time authorities and spending were due to:

- $502.0 million for payments to meet Canada's obligations under the *Softwood Lumber Products Export Charge Act, 2006*;[10] and
- $126.9 million for debt forgiveness for six developing countries.

Excluding the 2006-2007 one-time authorities and spending, the department's spending has on average increased by 7 percent year over year. This growth in spending is mainly related to an increase in funding for the following initiatives:

- the Global Peace and Security Fund;
- the G8 Global Partnership Program;
- implementation of the Global Commerce Strategy;
- the Canada-United States Softwood Lumber Agreement; and
- transfers received from federal partners in support of their staff working at Canada's missions abroad.

Like other federal departments and agencies, the department faces budgetary constraints. As a result of government-wide reallocation exercises that began in 2004, the department has made cumulative contributions to these reallocation exercises of over $253.0 million ($131.0 million in 2008-2009).

[10] http://laws.justice.gc.ca/en/showdoc/cs/S-12.55/20090731/en?command=HOME&caller=SI&fragment=softwood&search_type=all&day=31&month=7&year=2009&search_domain=cs&showall=L&statuteyear=all&lengthannual=50&length=50

1.2.6 Voted and Statutory Items ($ millions)

Vote # or Statutory Item (S)	Truncated Vote or Statutory Wording	2007-2008	2008-2009	
		Actual Spending	Main Estimates	Actual Spending
1	Operating expenditures	1,222.0	1223.5	1,361.5
5	Capital expenditures	170.9	122.7	172.9
10	Grants and contributions[11]	742.4	682.1	816.0
11	Passport Canada—Capital Expenditures	-	-	10.0
13	Passport Canada—Operating Expenditures	-	-	12.7
(S)	Contributions to employee benefit plans	74.0	78.4	82.1
(S)	Minister of Foreign Affairs: Salary and motor car allowance	0.1	0.1	0.1
(S)	Minister for International Trade and Minister for the Asia-Pacific Gateway: Salary and motor car allowance[12]	0.1	0.1	0.1
(S)	Payments to Export Development Canada (EDC) to discharge obligations incurred pursuant to section 23 of the *Export Development Act* (Canada Account) for the purpose of facilitating and developing trade between Canada and other countries. (S.C., 2001, c. 33)	95.4	4.2	0.6
(S)	Payments under the *Diplomatic Service (Special) Superannuation Act* (R.S. 1985, c. D-2)	0.2	0.3	0.1
(S)	Passport Office Revolving Fund (*Revolving Funds Act* R.S. 1985, c. R-8)	(19.4)	-	22.1
(S)	Refund of amounts credited to revenue in previous years	0.1	-	0.1
(S)	Spending of proceeds from disposal of surplus Crown assets	2.5	-	2.4
(S)	Losses on foreign exchange	7.8	-	9.2
(S)	Losses on foreign exchange (EDC)	354.9	-	0.0
(S)	Administrative fees (EDC)	10.0	-	7.9
(S)	Payments under *Budget Implementation Act*	10.0	-	10.3
	Total Budgetary	2,671.0	2,111.4	2,508.1
(S)	Payments to EDC to discharge obligations incurred pursuant to section 23 of the *Export Development Act* (Canada Account) for the purpose of facilitating and developing trade between Canada and other countries (S.C., 2001, c. 33) (Non-Budgetary)	(588.4)	88.2	685.2
	Total Department	**2,082.6**	**2,199.6**	**3,193.3**

Due to rounding, figures may not add to totals shown.

1.3 What's Ahead in Section 2

Readers should be aware that there is some deliberate inconsistency in the way program activity results, including those related to internal services, are presented in Section 2. That is because not all program activities have the same range of focus or operation. For example, "International Policy Advice and Integration" and "Diplomacy and Advocacy" have a very broad range of operations and, therefore, link to nearly all of the RPP priorities. Other program activities such as "International Commerce" and "Canada's International Platform: Support at Headquarters" have a narrower focus of operations and, as a result, correspond to only a small number of RPP priorities. To avoid repetition, to provide the information as clearly and succinctly as possible, and to ensure compliance with concise reporting requirements, the department has used slightly different formats throughout Section 2.

However, the information in Section 2 is broken down in a consistent manner. Each program activity subsection begins by explaining the operating context and the benefits generated for Canadians. Next, a table identifies planned and actual resources (human and financial). Then the program activity's performance highlights for the fiscal year are presented, followed by a summary of lessons learned during the period.

[11] Includes assessed contributions for Canada's membership in international organizations and non-assessed grants and contributions.

[12] Originally reported in 2008-2009 Main Estimates as "Minister of International Trade and Minister for the Pacific Gateway and the Vancouver Whistler Olympics—Salary and motor car allowance."

2. Section 2: Analysis of Program Activities by Strategic Outcome

2.1 Strategic Outcome 1: Canada's International Agenda

2.1.1 Program Activity 1: International Policy Advice and Integration

Context: This program activity provides strategic direction, intelligence and advice. It enables the department to plan and strategically coordinate its international activities, with a view to integrating Canada's foreign and international economic policies. This includes development and use of strategies that are targeted to specific countries and multilateral organizations and that are used to inform Canada's bilateral and regional relations. Policies and programs are developed for issues related to Canada's international agenda, such as trade and investment, human rights, democracy, environmental stewardship and international security. The department uses this program activity to shape the international agenda to Canada's benefit and advantage, in accordance with Canadian interests and values.

The complexity of the global environment in which DFAIT operates requires highly targeted policy development to ensure the advancement of objectives. But it also demands a very flexible policy capacity to enable the department to refocus rapidly and effectively on changing priorities and new challenges, such as the global economic downturn that began in late 2008. Another major development in global affairs—the coming into office of the Obama administration—also generated re-evaluation of foreign and trade policies in many countries. Meanwhile, many ongoing policy issues, including the NATO-led Afghan mission, the Canada-United States border, climate change, the Arctic, and the slow pace of the Doha Round of World Trade Organization (WTO) talks, continued to require close attention. Finally, the growing number of horizontal files (cutting across the mandates and operations of more than one player) were addressed through intensified consultation and collaboration with DFAIT's federal partners and other stakeholders.

Benefits to Canadians: This program activity ensures Canada's international policy coherence through planning, integration and coordination across the federal government. With respect to Canada's global commerce policies, this program activity develops country-specific and multilateral strategies to deliver Canada's bilateral and regional trade agenda. This includes strategic research and analysis of issues of interest to the domestic and international communities, and involves collecting, evaluating and disseminating intelligence to the Government of Canada.

Program Activity 1: International Policy Advice and Integration					
2008-2009 Financial Resources ($ millions)			2008-2009 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
140.0	150.8	150.3	1,001	956	(45)

The following table lists significant accomplishments that the department achieved under this program activity in relation to the expected results in the 2008-2009 *Report on Plans and Priorities*.

In the interests of concise reporting, the expected results for each program activity have not been taken directly from the 2008-2009 *Report on Plans and Priorities*. Instead, they have been consolidated into higher-level results that more accurately relate to the program activity level of the department's Program Activity Architecture. Performance indicators have been derived from three sources: the 2008-2009 RPP, information provided by DFAIT branches, and the department's draft Performance Measurement Framework.

Expected Results	Performance Indicators	Performance Summary
Coherent whole-of-government Canadian policy creates the foundation for a more stable and self-reliant Afghanistan that does not constitute a threat to international security.	Processes and consultation mechanisms developed to manage whole-of-government direction-setting inside and outside DFAIT Senior management provided with information, intelligence and advice **Status: Met all**	Coordinated policies through a whole-of-government collaboration on Afghanistan security, including civilian police mentoring programs and cooperation on Afghanistan-Pakistan border initiatives.
		Developed policy priorities and programming, communications, advocacy and benchmarking approaches for Canada's engagement in Afghanistan.
		Provided policy research and advice to the Deputy Ministers' Committee on Global Affairs, Security and Human Rights to ensure whole-of-government policy coherence and alignment.
		Produced and delivered the third quarterly report on "Canada's Engagement in Afghanistan" in March 2009, which was tabled in Parliament in June 2009.

Expected Results	Performance Indicators	Performance Summary
Canada's engagement in the Americas is coherent, coordinated on a whole-of-government basis, optimizes existing resources, and advances Canadian interests.	Processes and consultation mechanisms developed to manage whole-of-government Americas engagement **Status: Met all**	Coordinated Canada's whole-of-government engagement in the Americas as a government priority.
		Enhanced whole-of-government policy coherence and alignment through communications strategies, interdepartmental networks and planning consultations. DFAIT led realignment of resources across government (e.g. Department of National Defence and Canadian Forces Engagement Strategy for the Americas); also, among the Canadian International Development Agency's 20 countries of focus, five countries and one region are in the Americas, resulting in increased Canadian presence in the field and more ministerial visits to the region, including by other departments.
		Led the development of whole-of-government positions regarding support to the Inter-American Development Bank and the Caribbean Development Bank in their response to the economic/financial crisis.
		Developed a new scholarship program, "Emerging Leaders in the Americas Program," which was a signature announcement of the Prime Minister at the April 2009 Summit of the Americas.
Canada's interests are integrated and coordinated on bilateral issues with the United States.	Reflection of Canadian policy positions in bilateral and multilateral actions, decisions, declarations and agreements Formal and informal consultation mechanism established Identification and endorsement of policy priorities **Status: Exceeded**	Promoted Canadian engagement in Afghanistan, focusing on Canada-U.S. cooperation in Kandahar, and concluded successful high-level bilateral policy consultations on security, immigration, public security and defence.
		Coordinated whole-of-government strategy for the Canada-U.S. border, including agreement to jointly monitor implementation of the Western Hemisphere Travel Initiative (WHTI) and establish a Border Facilitation Working Group.
		Coordinated with the United States and Mexico to advance coherent and coordinated positions at meetings of the G20 and the OAS and at the North American Leaders Summit.
		Developed coherent whole-of-government policies on issues of joint concern to North American partners: disaster risk management, H1N1, international security and the environment.
Canada's policies for priority bilateral and regional relationships are coordinated, aligned to whole-of-government priorities and integrated in Canada's network of missions abroad.	Processes and consultation mechanisms developed to manage whole-of-government direction-setting agenda inside and outside DFAIT Number of reports developed on countries of key security interest to Canada that are used by decision makers **Status: Met all**	Developed whole-of-government policy options and strategies to engage priority bilateral and regional partners, including Latin America and the Caribbean, the Middle East, Southeast Asia, the European Union, China, Brazil, India, Haiti, Sudan, Pakistan and North Korea.
		Developed headquarters-field consultative mechanisms to ensure that Canada's network of missions abroad provide strategic and timely intelligence to inform the development of whole-of-government positions on climate change, energy security, and financial and economic issues.
		Provided guidance and training to Canada's missions to facilitate their international climate change advocacy activities.
		Coordinated the Government of Canada's response to humanitarian emergencies in Pakistan, Sri Lanka and Burma.
		Global Security Reporting Program officers at 16 missions abroad developed—and provided to decision makers—over 700 reports on countries of key security interest to Canada.
Canada's policies on freedom and security, democracy, the rule of law, human rights and environmental stewardship are coordinated effectively.	Canadian leadership demonstrated at multilateral forums and institutions through statements, studies, leadership on resolutions, hosting or chairing of major events Processes and consultation mechanisms developed to manage whole-of-government direction-setting agenda within and outside DFAIT **Status: Met all**	Developed and coordinated whole-of-government policy responses to the economic, financial and food crises, including policy preparation for two G20 summits, support to the regional development banks, an additional $65 million in crisis pool funds for humanitarian assistance and food aid in Africa, and untying food aid.
		Developed and communicated Canada's Arctic foreign policy to domestic and international audiences, as the international element of the government's Northern Strategy.
		Led and coordinated interdepartmental delegations of policy and operational anti-crime and anti-terrorism experts at meetings of the G8 Roma/Lyon Group.
		Worked with Finance Canada and the Canadian International Development Agency to achieve interdepartmental agreement on the thematic priorities for the International Assistance Envelope.
Policies on global issues are developed for delivery in multilateral forums.	Whole-of-government Canadian policies delivered in multilateral forums and institutions.	Developed policy positions on global issues, including climate change, energy, food security, and development, for the 2008 G8 Summit and led interdepartmental policy development, coordination and preparation for Canada's 2010 G8 presidency.

Expected Results	Performance Indicators	Performance Summary
and institutions.	Processes and consultation mechanisms developed to manage whole-of-government direction-setting agenda inside and outside DFAIT **Status: Met all**	Coordinated civil society workshops, as well as intergovernmental and interdepartmental meetings, to ensure successful delivery of Canada's whole-of-government human rights presentation to the UN Human Rights Council under the Universal Periodic Review.
		Led preparation and policy development for the 2008 Francophonie Summit in Quebec City.
		Led Canada's policy development for the International Maritime Group's Maritime Security Committee and the UN-endorsed Contact Group on Piracy off the Coast of Somalia, which involves supporting the deployment by the Department of National Defence of its naval assets on NATO patrols and as part of the Standing NATO Maritime Group patrols to escort World Food Programme ships delivering humanitarian aid to Somalia.
		Developed and coordinated, with partner departments, provinces and territories, Canada's policy positions on education at almost 50 multilateral ministerial and working-level conferences (UNESCO, OECD and OAS) and finalized international education agreements with Chile, Poland and Spain.
Canada's economic interests are supported by appropriate international trade policies and programs.	Reflection of Canadian policy positions in bilateral and multilateral actions, decisions, declarations and agreements Quality and timeliness of political and economic intelligence and analysis **Status: Met all**	Developed whole-of-government policy options related to Canadian engagement with the European Union (EU) for the Canada-EU Summit in October 2008, and completed the Canada-EU joint study on the costs and benefits of a closer economic partnership,[11] which was released in 2008. The study found that trade liberalization would benefit both the EU and Canada and laid the foundation for the launch of negotiations in May 2009.
		Used extensive stakeholder consultations to help develop the government's Corporate Social Responsibility Strategy, which will help Canadian mining, oil and gas companies meet and exceed their social and environmental responsibilities when operating abroad.
		With Natural Resources Canada and input from corporate stakeholders, developed and launched oil sands engagement strategies with our key economic partners in the sector, the United States and Europe.
		Conducted research on 35 U.S.-based multinational enterprises, which led to 26 business leads for opportunities to participate in global value chains.
		Produced analyses of the economic crisis to inform policy and program development and support Canadian business (e.g. an analysis of trade impacts for the Minister, numerous presentations to advisory groups, an inventory of infrastructure spending in stimulus packages around the world, which was published in *CanadExport*, an analysis of impact of protectionism, which was published online) as well as other analysis relevant to Canadian competitiveness (e.g. an analysis of Canadian direct investment abroad, a presentation on BRIC countries [Brazil, Russia, India, China], which was published online, and organization of an international seminar on trade and productivity).
		Actively monitored protectionist actions by other countries in the wake of the economic crisis, and supported the WTO, the G20 and APEC in countering protectionism through transparency and discussion.

Performance Highlights: The work of this program activity is central to the department's ability to serve as the government's centre of expertise on foreign policy and international commerce for the simple reason that all activities—and all results—flow from clear and decisive policies that advance Canada's interests and priorities.

A primary focus in the latter part of 2008-2009 was on policy development and coordination related to addressing the global economic downturn. For instance, the department led development of whole-of-government policy responses to the economic, financial and food crises, which included preparation for two G20 leaders summits focused on the international economic and financial crisis (November 2008 in Washington and April 2009 in London), support for the regional development banks and their response to the crises, and additional funds for humanitarian assistance and food aid in Africa, as well as untying food aid. An inventory of infrastructure spending in stimulus packages around the world was published for Canadian businesses so that they would be better placed to capitalize on new opportunities.

The department achieved important results in relation to the relevant key priorities (in italics below) identified in the 2008-2009 *Report on Plans and Priorities*, as follows:

Afghanistan: DFAIT spearheaded whole-of-government policy priorities as well as related programming, communications, advocacy and benchmarking approaches for Canadian engagement in the NATO-led mission in

[11] www.international.gc.ca/trade-agreements-accords-commerciaux/assets/pdfs/EU-CanadaJointStudy-en.pdf

Afghanistan. In addition to policy development, DFAIT developed programs on Afghan security, including judicial sector reform and border initiatives. DFAIT played a lead role in ensuring whole-of-government policy integration, coordination and coherence for the Government of Canada's engagement in Afghanistan.

North America and the hemisphere: Canada promoted North American collaboration and policy coherence in many ways, including through the Security and Prosperity Partnership, on key issues such as pandemic influenza, regulatory cooperation, intellectual property protection, cooperation in energy, science and technology, and smart/secure borders.

Canada's engagement in the Americas is centred on advancing three key interrelated and mutually reinforcing objectives: enhancing the prosperity of Canadians and other citizens of the region; building a safe and secure hemisphere; and strengthening support for democratic governance. Accordingly, DFAIT led whole-of-government efforts and worked closely with key hemispheric partners and regional multilateral institutions such as the OAS and the Inter-American Development Bank to search for joint solutions to hemispheric challenges, notably in the areas of economic integration and trade liberalization; science and technology and innovation agreements; scholarships and youth mobility agreements; support to democratic practices and institutions, civil society, elections monitoring and free media; and capacity building in the area of security and justice. In the Caribbean, DFAIT continued to work toward disaster risk reduction and building partnerships to support security and democracy in Haiti. In addition, DFAIT engaged and consulted with key stakeholders, experts and civil society to discuss policy options and opportunities for Canadian leadership in the Americas, and coordinated the production of a whole-of government suite of communications products on the priorities and progress of Canada's engagement in the Americas http://www.international.gc.ca/americas-ameriques/priorities_progress-priorites_progres.aspx?lang=eng

Growing/emerging markets, with a focus on China and India: As part of the Global Commerce Strategy, 13 market plans have been established (for the United States, Mexico, China, India, Brazil, Latin America and the Caribbean, Europe, Russia, Japan, South Korea, Australia/New Zealand, the Association of Southeast Asian Nations and the Gulf Cooperation Council). The emphasis is on helping Canadian business explore new opportunities in global markets that have the greatest importance and potential.

Lessons Learned

What worked well: Chairing cross-cutting working groups on environment- and energy-related policy areas has proven to be a successful model for coordinating Government of Canada policies on environmental stewardship, and has informed other policy discussions of priority interest to DFAIT, including trade and security.

What could be improved and what we are doing about it: DFAIT improved its coordination with federal partners involved in Canada's emergency planning, enabling a quicker and more efficient response to international incidents. DFAIT also broadened its Consular function, creating the new Emergency Management Bureau in September 2008 to enhance the government's ability to plan, prepare for and respond to emergency crises affecting Canadians and the international community.

2.1.2 Program Activity 2: Diplomacy and Advocacy

Context: This program activity ensures the delivery of domestic and international programs and diplomacy, engaging Canadian stakeholders and partners as well as foreign governments and international players. Within Canada, this program activity engages provincial, territorial and other stakeholders to inform foreign and international trade policy. This involves raising awareness and understanding of Canada's policies, interests and values as they pertain to the government's international agenda. It also includes delivering programs on Canada's behalf to address specific international issues and paying Canada's annual contributions associated with its membership in international organizations.

Given the pre-eminence of the United States in world affairs and Canada's close relationship with that country, it is critical for Canada to maximize bilateral collaboration on diplomatic, military and economic issues. This required particular attention at the time of the change in U.S. administration in January 2009. Another key focus of this program activity, especially in the latter part of the fiscal year, was the global economic downturn, which overshadowed most other international issues and which will continue to be, at least in the short term, the lens through which many other issues are viewed.

Against this background, DFAIT remains keenly aware of the complexity of maintaining and extending diplomatic influence in a world of multiple and shifting centres of power.

Benefits to Canadians: This program activity connects Canada and Canadians to the world by managing Canada's bilateral and multilateral relations and by delivering programs that advance this country's international interests and values. It also raises international awareness of Canada, its policies, interests and values, while engaging Canadians inside and outside the country on key global issues.

Program Activity 2: Diplomacy and Advocacy					
2008-2009 Financial Resources ($ millions)			2008-2009 Human Resources (FTEs)		
Planned Spending	**Total Authorities**	**Actual Spending**	**Planned**	**Actual**	**Difference**
1,061.0	1,102.1	1,098.2	1,849	1,698	(151)

In the interests of concise reporting, the expected results for each program activity have not been taken directly from the 2008-2009 *Report on Plans and Priorities*. Instead, they have been consolidated into higher-level results that more accurately relate to the program activity level of the department's Program Activity Architecture. Performance indicators have been derived from three sources: the 2008-2009 RPP, information provided by DFAIT branches, and the department's draft Performance Measurement Framework.

Expected Results	Performance Indicators	Performance Summary
Protocol services are provided to the Governor General, the Prime Minister and government representatives travelling abroad as well as to the foreign diplomatic community	Level of stakeholder satisfaction with visits of the Governor General and Prime Minister and ministers of the international portfolio Level of stakeholder satisfaction with ministerial visits by heads of state and government representatives to Canada, and related official events **Status: Met all**	Organized and managed the Governor General's visits to 11 countries and the Prime Minister's visits to eight countries, as well as visits by 44 foreign dignitaries to Canada.
		All deadlines were met, as defined in the standards for accreditation, and the department received no complaints from clients or stakeholders.
Provinces, territories, and other domestic and international stakeholders are engaged in Canada's foreign and international trade policies and priorities	Number of occasions when the department led development of policy positions with other levels of government Processes and consultation mechanisms developed to manage whole-of-government direction-setting agenda within and outside DFAIT **Status: Met all**	Organized four "C-Trade" (Commerce-Trade Committee) consultations with provinces and territories to update stakeholders on Canadian trade negotiations and ongoing disputes, and managed regular engagement with provincial and territorial stakeholders, the academic community and the general public.
		Consulted regularly with partner departments and agencies, the provinces and territories to ensure that stakeholder interests were reflected in the department's management of the Canada-U.S. Softwood Lumber Agreement and the NAFTA.
		Contributed to Canada's whole-of-government policy coherence and alignment by conducting regular consultations with provincial and territorial stakeholders to incorporate their interests into policy development and inform them of Canada's foreign affairs and international trade activities and priorities.
		Conducted two rounds of interactive eDiscussions with the public and academic institutions, the first on Canada's Engagement in the Americas and the second on the Arctic, generating 447 public submissions and 29,345 visits to the eDiscussions website.
Canada's Afghanistan policies and programs protect Canada's security and that of its allies by improving safety, stability and reconstruction and promoting democracy, human rights, the rule of law, conflict prevention and public safety in that country	Number and value of peace- and security-related projects implemented as planned Agreements that resulted in Canadian policies and programs being implemented by international partners and institutions in Afghanistan **Status: Met all**	Disbursed over $42 million through more than 50 projects for security sector development in Afghanistan, including funds to enable the Afghanistan National Security Forces in Kandahar to ensure a more secure environment and promote law and order.
		Promoted rule of law through police, corrections and justice programming, including $21 million to strengthen rule of law in Afghanistan.
		Canada advocated for adoption of NATO's vision statement and political-military plan for Afghanistan in April 2008 to ensure that NATO efforts are coordinated with those of other international actors.
		Brokered a joint border management plan between Afghan and Pakistani officials.
		Through negotiation at the UN, secured better terms and conditions for UN staff in Afghanistan, which will improve recruitment and retention in support of allied efforts.
Canadian interests, including security, prosperity and competitiveness, are enhanced through a	Status of negotiations in North America that enhance the security and competitiveness of Canada	Through the Security and Prosperity Partnership, promoted North American cooperation on disaster risk management, avian and pandemic influenza, regulatory mechanisms, intellectual property protection, energy, science and technology, product import safety, emergency management and smart/secure borders.

Expected Results	Performance Indicators	Performance Summary
strengthened North American partnership	Reflection of Canadian policy positions in bilateral and multilateral actions, decisions, declarations and agreements **Status: Exceeded**	Strengthened North American cooperation on issues of common interest in the Americas, including disaster risk management and building of partnerships to support security and democracy in Haiti.
		Cooperated with the United States on issues of shared concern such as the Arctic, and on efforts to shape the agendas of NATO and the OSCE to make a meaningful contribution to North American security, including support of NATO's efforts in Afghanistan.
		Implemented the North American Platform Program to promote Government of Canada priorities, support advocacy and business development, and serve the needs of Canadian business in the United States and Mexico.
		Led security consultations with Mexico, which increased cooperation on transnational crime, organized crime, illicit drugs, trafficking in firearms and money laundering.
The government's engagement in the Americas enhances strategic partnerships in Latin America and the Caribbean, promotes economic prosperity, security and sustainable development, and reflects the Canadian values of freedom, democracy, human rights and rule of law	Canadian leadership demonstrated at regional and multilateral institutions through statements, studies, leadership on resolutions, and hosting or chairing of major events. Reflection of Canada's Americas policy priorities in bilateral and multilateral actions, decisions, declarations and agreements. Status of negotiations on agreements and cooperative arrangements (e.g. bilateral, regional and those related to multilateral trade and investment) with key trading partners **Status: Exceeded**	Advanced Canadian political and economic interests and promoted democracy in the Americas through key regional and multilateral forums, including meetings of the Inter-American and Caribbean Development Banks, the Conference of Defence Ministers of the Americas, the Francophonie Summit and the 39th OAS General Assembly, as well as through Canada's support to Peru for the 2008 APEC Summit and to Trinidad and Tobago for the 2009 Summit of the Americas.
		Strengthened democratic institutions by providing over $1 million through the Glyn Berry Program to support democracy promotion initiatives in the Americas and began planning for a new regional democracy centre in Lima, Peru.
		Advanced democracy, governance and institution building at the multilateral level, in the framework of the OAS; at the bilateral level through programming in target countries; and through joint efforts with regional partners as well as the EU, France, Spain, the United States and Mexico.
		Addressed the threats of drugs, organized crime, health pandemics and natural disasters through participation in multilateral and regional forums (such as the UN and OAS) and delivery of Global Peace and Security Fund programming, notably in Haiti and Colombia.
		Worked within the UN Regional Platform for Disaster Risk Reduction in the Americas to promote disaster preparedness and mitigation activities.
		Through the Counter-Terrorism Capacity Building Fund, allocated $4.8 million to the Caribbean region and Central America to enhance regional stability and security by addressing the threats of drugs, organized crime, health pandemics and natural disasters.
		Signed free trade agreements, labour cooperation agreements and environment agreements with Peru and Colombia, and launched FTA negotiations with Panama.
		Through the Global Peace and Security Fund (GPSF), provided approximately $20 million for police, justice, corrections, borders and human rights initiatives in Haiti and Colombia.
Canada's interests and relations with the United States are strengthened.	Number, range and breadth of strategic promotion and public diplomacy activities to promote Canadian views on important global issues Status of negotiations on agreements and cooperative arrangements (e.g. bilateral, regional and multilateral trade and investment) with key trading partners **Status: Met all**	Cemented relationships with the Obama administration and with key stakeholders in the United States, including hosting President Obama on his first official international visit.
		Cooperated with the United States on shared foreign and defence policy interests and priorities such as the Americas, Afghanistan and Haiti.
		Continued advocacy and collaboration on Afghanistan security issues, including joint deployments of civilian police in mentoring programs and embedding of Canadian and U.S. officials in respective national command structures, and close cooperation on Afghanistan-Pakistan border initiatives.
		Continued to elaborate a Government of Canada strategy and vision for the Canada-U.S. border to facilitate movement of legitimate goods, people and services while improving security.
		Cooperated with the United States on shared foreign and defence policy issues, concluding the 2008 Canada-U.S. Agreement on Emergency Management Cooperation and implementing the Integrated Lines of Communication Agreement on military transportation.
		Defended Canada's interests by engaging on bilateral issues such as the Western Hemisphere Travel Initiative (through agreement to joint monitoring of WHTI implementation and the establishment of a Canada-U.S. Border Facilitation Working Group) and the "Buy American" provisions in the U.S.

Expected Results	Performance Indicators	Performance Summary
		economic stimulus legislation.
Canada's interests and values are advanced in multilateral forums, particularly with respect to human rights, democracy, governance and environmental stewardship.	Reflection of Canadian foreign and international economic policy priorities in bilateral and multilateral actions, decisions, declarations and agreements. Canadian leadership demonstrated at multilateral forums/institutions through statements, studies, leadership on resolutions and hosting or chairing of major events. **Status: Met all**	Led the UN General Assembly resolution focusing international attention on the human rights situation in Iran and addressed human rights situations in Burma, Haiti and Somalia at the UN General Assembly and UN Human Rights Council.
		Advanced Canada's candidacy for a UN Security Council seat for the period 2011-2012 through extensive lobbying and advocacy.
		Advanced Canada's climate change objectives at the UN Framework Convention on Climate Change by fielding lead negotiators, integrating Canadian climate change priorities into the activities of Canada's missions abroad and ensuring that climate change was at the forefront at bilateral and multilateral discussions with the United States, Brazil, China and India, stressing the view that a post-2012 climate change agreement must include all major emitting countries.
		Ensured that Canadian economic, financial and development priorities were reflected in G20 outcome documents (the November 2008 Communiqué from the Meeting of Ministers and Governors and the Declaration of the Summit on Financial Markets and the World Economy).
		Contributed to NATO Allies' concerted, strong stance towards Russia in the aftermath of the August 2008 Georgia-Russia conflict by ensuring a principled, measured approach to the resumption of cooperation between NATO and Russia at the March 2009 NATO Foreign Ministers meeting.
		Hosted the 12th Summit of the Francophonie in October 2008, where DFAIT promoted human rights and democracy and announced $100 million in adaptation funding for those countries most vulnerable to the impacts of climate change.
		Delivered several speeches on Canada's new foreign policy for the Arctic, concluded the Ilulissat Declaration on the Arctic Ocean, and extended coverage of the *Arctic Waters Pollution Prevention Act* to 200 nautical miles.
		Due to Canadian action, the G8 moratorium on the transfer of enrichment and reprocessing technology, in place since 2004, was lifted and Canada's rights to access this technology were maintained.
		Initiated negotiations with Jordan on a nuclear cooperation agreement, which was signed in February 2009, the first such agreement in 10 years.
		Contributed to the UN Secretary-General's report on the Responsibility to Protect and delivered two statements to the UN Security Council on the protection of civilians in armed conflict.
		Advanced Canada's international trade and investment policy objectives at the WTO, OECD, APEC, United Nations Conference on Trade and Development (UNCTAD) and G8 by facilitating capacity building for developing states and pursuing expanded market access coverage.
Canada's bilateral relationships are managed effectively to improve freedom and security, human rights, good governance, democracy and the rule of law in countries and regions of priority interest to Canada.	Number of bilateral agreements reached that successfully negotiate key international policy issues of interest to Canada. Programs and advocacy campaigns implemented. **Status: Met all**	Engaged bilateral partners in the Americas to enhance Canadian prosperity, build a safe and secure hemisphere and strengthen support for democratic governance.
		Enhanced engagement with Mexico on bilateral and regional issues, notably human rights, indigenous issues, disarmament, UN reform and environmental policy.
		Implemented Canada's assistance package of $300 million over five years in support of Palestinian reform, and promoted peace in the Middle East through high-level bilateral engagement.
		Promoted Middle East peace through the visit of Palestinian President Abbas to Canada and Foreign Affairs Minister Cannon's visit to Jordan, Israel and Egypt, as well as by participation in the Conference in Support of the Palestinian Economy for the Reconstruction of Gaza, held in Sharm el Sheikh, Egypt, in March 2009.
		Engaged in advocacy and representation on human rights in China, while positioning Canada as one of China's interlocutors with respect to global and multilateral issues.
		Promoted democracy, governance and human rights in Russia, Kazakhstan, Ukraine, Belarus and the Western Balkans.

Expected Results	Performance Indicators	Performance Summary
		Coordinated Canada's timely responses to 16 natural disasters in 20 countries, including Cyclone Nargis in Burma, the Sichuan earthquake in China and the hurricane season in Haiti, while responding to conflict, governance and humanitarian crises in Sudan, Democratic Republic of Congo/Great Lakes region and Zimbabwe with financial and diplomatic action, in cooperation with like-minded countries, African partners and regional organizations.
The delivery of Canada's peace- and security-related programs reduces threats posed by international instability, terrorism, international crime and weapons of mass destruction.	Progress in the development of counterterrorism plans, policies, legislation, regulations and controls in beneficiary states Number of nuclear submarines defuelled by Canada **Status: Met all**	The Counter-Terrorism Capacity Building Program provided $11 million to states to enhance their ability to combat terrorism, directing programming to transportation and border security, financing of terrorism, law enforcement, and military and intelligence training; over 220 projects funded and approximately $150 million disbursed through the GPSF to support conflict prevention, peacebuilding and stabilization.
		Through the GPSF, supported 25 projects in Sudan with over $50 million in funding for peacekeeping, peacebuilding and mine action and allocated $15 million to Haiti to provide technical and financial support for police, corrections and border management reform, including deployment of up to 100 Canadian police and eight corrections officers to the UN Stabilization Mission.
		Through the G8 Global Partnership Program (GPP), defuelled two nuclear submarines (four reactors); contributed $4.9 million to upgrade border security in Ukraine; contributed $5 million to remove the remaining radioisotope thermoelectric generators in Russia's Far East; funded over $11 million in projects at the Kizner chemical weapons destruction facility in Russia; and upgraded security at three biological facilities in the Kyrgyz Republic.
		Through the GPP, contributed $6.9 million to fund 40 projects involving 460 former weapons scientists in Russia, Ukraine and former Soviet Union countries. http://www.international.gc.ca/gpp-pprn/global_partnership-partenariat_mondial.aspx
		Provided over $7 million for mine clearance in Afghanistan, Georgia, Tajikistan, Sudan, Uganda, Chad, Colombia and Nicaragua and support to tribunals (including Sierra Leone, Lebanon and Cambodia) to facilitate reconciliation and the restoration of peace and the rule of law.
Canada's multilateral, bilateral and regional trade policy objectives, including market access, trade liberalization, and promotion and protection of Canadian trade and investment, are improved through effective management of international trade relationships and phased implementation of the Global Commerce Strategy.	Status of negotiations on agreements and cooperative arrangements (e.g. bilateral, regional and those related to multilateral trade and investment) with key trading partners International disputes that are settled in favour of Canada **Status: Met all**	Concluded FTA negotiations with Jordan; tabled legislation to implement FTAs with the European Free Trade Association (Iceland, Liechtenstein, Norway and Switzerland), Peru and Colombia; launched FTA negotiations with Panama; completed a joint study and joint report with the European Union, which led to the launch of negotiations toward a comprehensive economic and trade agreement; announced exploratory discussions with India and Morocco; continued efforts to advance FTA negotiations with South Korea, Singapore, the Central American Four (Guatemala, Honduras, Nicaragua and El Salvador), the Caribbean Community and the Dominican Republic; and made efforts and progress toward modernizing existing FTAs with Chile and Costa Rica.
		Concluded two foreign investment promotion and protection agreements (FIPAs) with Kuwait and Madagascar; started new FIPA negotiations with Bahrain and Tunisia; made further progress in ongoing negotiations with China, Indonesia, Vietnam, Mongolia and Tanzania; and started exploratory discussions with Cuba, Russia, Malaysia and Ghana.
		Concluded seven air transport agreements, including with the European Union, which covers 27 countries.
		Represented Canada's interests in 13 ongoing WTO disputes; two of three Canadian-supported claims were upheld against China in intellectual property rights case; gained or expanded market access for Canadian beef and cattle to nine countries; removed EU barriers to genetically modified canola seed and oil.

Performance Highlights: The work of this program activity is an essential component of efforts to advance Canada's international agenda because it carries out purposeful dialogue and interaction with domestic stakeholders and international players on issues of importance to this country.

Given the high profile of global actions to address the economic downturn in late 2008-2009, the department made considerable efforts to ensure that Canadian economic and development priorities were reflected in the final documents released at the two G20 leaders summits (November 2008 in Washington and April 2009 in London). DFAIT also expanded Export Development Canada's mandate to include support to Canadian business in the domestic market and worked with federal partners to provide EDC with the capacity and flexibility to respond to the credit needs of Canadian business. New financial tools were also designed for Canadian companies' international marketing initiatives and direct investments abroad.

The department achieved important results in relation to the relevant key priorities (in italics below) identified in the 2008-2009 *Report on Plans and Priorities*.

Afghanistan: Canada engaged in bilateral and multilateral diplomacy and advocacy to advance Canada's Afghanistan-related priorities and support for the UN-mandated, NATO-led mission in that country. DFAIT's programs delivered significant results on governance and institutional development, human rights and the rule of law, including with respect to advancing police, corrections and justice sector reform. DFAIT disbursed over $42 million through more than 50 Global Peace and Security Fund projects, seeking to reinforce the Government of Afghanistan's ability to establish a more secure environment for its citizens, where their rights will be respected. Critical in this regard has been DFAIT's support for the UN Development Programme's Law and Order Trust Fund for Afghanistan, the main instrument for paying Afghan police and prison officers' salaries. In addition, to foster peace and cooperation in the wider region, DFAIT brought together Afghan and Pakistani officials in Dubai, where they adopted a joint border management plan. It is hoped these measures will lead to greater cooperation and confidence between these two important neighbours, with benefits both to their people and to Canadians. Canada and the United States collaborated on Afghan security issues, including through joint deployments of civilian police in mentoring programs, embedding of Canadian and U.S. officials in their respective national command structures, and close cooperation on Afghanistan-Pakistan border initiatives. Through negotiation at the United Nations, Canada secured better terms and conditions for UN staff in Afghanistan, which will improve recruitment and retention in support of allied efforts.

North America and the hemisphere: The 50th anniversary of NORAD in May 2008 demonstrated the strength and endurance of the Canada-U.S. relationship and enhanced Canada's image as the United States' closest and longest-standing ally. The department cemented relationships with the Obama administration, Congressional leaders, new legislators and key governors—links that are crucial to advancing Canadian interests in that country. It also built alliances with American stakeholders who support Canadian positions and rely on an efficient border between the two countries. With respect to Canada-Mexico relations, the department renewed cooperation on human rights, indigenous issues, security and governance, while expanding the bilateral program that enables increased dialogue and visits between Canadian and Mexican parliamentarians.

Canada enhanced regional stability and security in the Americas by addressing drugs, organized crime, health pandemics and natural disasters, working with the UN Office on Drugs and Crime and the OAS Inter-American Drug Abuse Control Commission, as well as through anti-crime initiatives, the Global Peace and Security Fund, humanitarian relief efforts after natural disasters, and health initiatives. Part of this broad engagement strategy included advancing mutually supportive North American positions in the G20. Canada also promoted its approach to democracy support in the Americas through interventions at the 2009 Summit of the Americas and resolutions adopted at the 39th OAS General Assembly, and supported several democracy promotion initiatives and activities within the Americas, including preparation for a new regional democracy centre in Lima, Peru.

In support of security and the rule of law, the Stabilization and Reconstruction Task Force (START) advanced the development of a regional small-arms control agreement in the Caribbean, and led efforts to establish an international roster for justice rapid response, a mechanism to identify, collect and preserve information concerning allegations of genocide, war crimes and crimes against humanity. In related work, the Global Peace and Security Fund contribution for the promotion of victims' rights and the strengthening of institutions of truth, justice and reconciliation has enabled Colombia to consolidate its peace and security gains. Canada's support to the OAS Mission to Support the Peace Process in Colombia contributed to the demobilization of 35,000 United Self-Defence Forces of Colombia (AUC) paramilitaries in accordance with the rules established by the peace process.

Growing/emerging markets, with a focus on China and India: Through the government's Global Commerce Strategy, DFAIT continued to pursue an ambitious bilateral agenda to secure competitive terms of access for Canadian businesses, attract and encourage global investment and expand Canada's international commercial network. In 2008-2009, Canada concluded FTA negotiations with Jordan, and tabled legislation to implement FTAs with the European Free Trade Association (Iceland, Liechtenstein, Norway and Switzerland), Peru and Colombia. Following a detailed exploratory process, FTA negotiations were launched with Panama. A joint study and joint report were completed with the European Union, which led to the launch of negotiations toward a comprehensive economic and trade agreement, and exploratory discussions were announced with India and Morocco. Negotiators continued efforts to advance FTA negotiations with South Korea, Singapore, the Central American Four (Guatemala, Honduras, Nicaragua and El Salvador), the Caribbean Community and the Dominican Republic, and made efforts and progress toward modernizing existing FTAs with Chile and Costa Rica. Canada also concluded foreign investment promotion and protection agreements with Kuwait and Madagascar, and concluded seven air service agreements, including an agreement covering the 27 countries of the European Union. The department implemented market plans for the United States, Mexico, China, India, Brazil, Latin America and the Caribbean, Europe, Russia, Japan, South Korea, Australia/New Zealand, the Association of Southeast Asian Nations and the Gulf Cooperation Council.

Pursuing expanded market access, Canada (DFAIT and partner departments) coordinated with other WTO members in negotiations toward the conclusion of the WTO Doha Round of multilateral trade negotiations, and DFAIT

represented Canada's interests in 13 ongoing disputes at the WTO. These included resolution of a European Communities case against Canada on excise taxes and successful settlement of the dispute initiated by Canada against China on treatment of financial information service suppliers in that country.

Lessons Learned

What worked well: The department continued to develop a more active web presence with more pages and features, such as highlights and videos on the main website and that of the Trade Commissioner Service, as well as more videos and podcasts posted on sites such as YouTube. The objective is to deliver an innovative and targeted message in the most cost-effective way possible.

What could be improved and what we are doing about it: The department recognized that international youth and education programming could be improved through increased collaboration with federal partners and more effective use of resources. DFAIT undertook several initiatives to raise the profile of this type of programming, in alignment with government priorities. Another significant lesson learned was that the department's program delivery would benefit from greater consolidation of program management and delivery.

2.2 Strategic Outcome 2: International Services for Canadians

2.2.1 Program Activity 3: International Commerce

Context: This program activity works to achieve the objectives of the government's Global Commerce Strategy, which are:

- to expand the participation of Canadian entrepreneurs in world markets;
- to increase their interaction with global business partners; and
- to promote Canada as a competitive location and partner for investment, innovation and value-added production.

The downturn in the global economy in the second half of the fiscal year had a negative impact on global trade and investment flows, including investment into Canada. The WTO noted that global trade increased by only 2 percent in 2008 (compared with a 6 percent rise in 2007), while forecasting a 9 percent drop in 2009 (www.wto.org/english/news_e/pres09_e/pr554_e.htm). Meanwhile, UNCTAD reported that foreign direct investment (FDI) worldwide fell sharply in the last quarter of 2008. This decline continued in the first quarter of 2009, when global FDI inflows dropped by 54 percent compared with the same period the year before (www.unctad.org/Templates/Webflyer.asp?docID=11666&intItemID=1528&lang=1).

Benefits to Canadians: The Trade Commissioner Service (TCS), with staff located in more than 150 cities worldwide, at regional offices in Canada and at the department's headquarters, helps Canadian businesses prepare for international markets, assess market potential, identify qualified contacts and solve problems. TCS investment officers posted at Canada's missions in key markets abroad collaborate with partner organizations in Canada to promote this country as a preferred destination for FDI (http://investincanada.gc.ca/). The International Commerce program activity is also delivered online, through the Virtual Trade Commissioner (www.infoexport.gc.ca) and the Export and Import Controls Bureau (www.international.gc.ca/controls-controles/index.aspx) websites. This program activity also monitors and authorizes trade in certain goods, ensuring the security of Canada and its allies by restricting trade in certain military and strategic goods and in other materials such as arms, ammunition, and nuclear materials and equipment.

Program Activity 3: International Commerce					
2008-2009 Financial Resources ($ millions)			2008-2009 Human Resources (FTEs)		
Planned Spending	**Total Authorities**	**Actual Spending**	**Planned**	**Actual**	**Difference**
329.0	16,248.1	952.3	1,832	1,556	(276)

In the interests of concise reporting, the expected results for each program activity have not been taken directly from the 2008-2009 *Report on Plans and Priorities*. Instead, they have been consolidated into higher-level results that more accurately relate to the program activity level of the department's Program Activity Architecture. Performance indicators have been derived from three sources: the 2008-2009 RPP, information provided by DFAIT branches, and the department's draft Performance Measurement Framework.

Expected Results[14]	Performance Indicators	Performance Summary
High-quality international commerce services are delivered to Canadian exporters, importers, investors and innovators.	Client satisfaction and adherence to published service standards for timeliness, confidentiality and access to services in both official languages (Target: client satisfaction of 80%;[15] adherence to service standards: obtain baseline measures[16]) **Status: Results to be assessed in autumn 2009 through TCS client survey**	2008-2009 client survey for TCS is scheduled for autumn 2009.
		Of 164,572 applications for softwood lumber export permits, 99.24% were processed within the identified service standard of four hours, an increase of 0.15% from last year.
		Enhancements to both online export and import permit application systems were completed to enhance client service.
Canada's employment, productivity and international competitiveness are improved through expanded FDI.	Number and value of foreign direct investments into Canada that DFAIT's investment network facilitated (Target: 148 investments facilitated) **Status: Somewhat met**	DFAIT facilitated 97 foreign direct investments into Canada, down from 148 the previous year.
International commercial opportunities pursued by Canadian clients related to exports, direct investments abroad and technology commercialization have increased.	Number of agreements related to exports, direct investment abroad and technology commercialization signed by TCS Canadian business clients (Target: obtain baseline information) **Status: Results of TCS client survey required for performance assessment**	2008-2009 client survey for TCS is scheduled for autumn 2009.
Canada's export controls achieve a successful balance between international security and economic prosperity.	Level of business compliance with *Export and Import Permit Act* regulations **Status: Met all**	New items were added to the control list necessary to ensure the security of Canada and its allies; other items that no longer need to be controlled were removed. Regulatory changes have improved market access for Canadian firms in the defence sector.

Performance Highlights: The following key accomplishments of this program activity in 2008-2009 correspond to three departmental priorities listed in the year's *Report on Plans and Priorities*: growing/emerging markets with a focus on China and India; greater economic competitiveness for Canada through enhanced commercial engagement, secure market access and targeted support for Canadian business; and launching the department's transformation process, including meeting the challenge of strengthening Canada's global mission network.

In 2008-2009, the department made real progress in its ongoing implementation of the government's Global Commerce Strategy. For instance, in response to the strategy's identification of 13 priority markets worldwide for Canadian business, the department opened new TCS offices in China, India, Mongolia and Brazil. It also opened new regional offices in Victoria, Windsor, Kitchener and Ottawa and increased staff at existing TCS offices.

As a key element of the Global Commerce Strategy, the department has prepared and is continuing to implement targeted and sector-based plans for the 13 priority markets (www.international.gc.ca/commerce/strategy-strategie/r.aspx). In nine of these priority markets, the number of clients served went up compared with the previous year. The opening of new offices contributed to an increase in the number of clients served in all five countries noted in the preceding paragraph (percentage increase in clients, year over year: Brazil 69 percent; China 5 percent; India 64 percent; Mexico 23 percent; and Mongolia 157 percent). The number of clients served by domestic offices grew by over 40 percent.

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[14] This performance summary uses a concise, high-level set of results statements and performance indicators that the department developed in 2008-2009 for the International Commerce program activity. Given the unavailability of quantitative data, the department assessed its performance based on the qualitative evidence provided in summary in the performance highlights. The department judges that it met or exceeded most of the expected results presented in its 2008-2009 *Report on Plans and Priorities* for this program activity, with the following exceptions:

- DFAIT only partially met its target for the number of foreign direct investments in Canada that it facilitated. It does not have the systems required to adequately track the value of FDI that it facilitates.
- To assess results pertaining to client satisfaction, attainment of service standards, and commercial activity undertaken by TCS clients, the department requires information to be obtained from a survey of 2008-2009 TCS clients, which will be conducted in the fall of 2009. Results of the client survey will be published on the TCS website (www.tradecommissioner.gc.ca/clientsurvey2009) and will be used to make further service improvements.

[15] This figure comes from the department's Performance Measurement Framework.

[16] The reference to a baseline refers to the process of establishing the department's current performance level in an effort to ascertain an appropriate and realistic target for future performance.

There was rising demand for TCS services throughout 2008-2009. The number of Canadian clients increased by 2.5 percent over the previous year (from 11,653 to 11,943). Total service transactions increased by 3.5 percent (from 32,470 to 33,623). In the midst of deteriorating conditions in the global economy, the number of clients obtaining TCS services was considerably higher in the final quarter of 2008-2009 than in any other quarter during the previous 24 months.

The department provided information and advice to the Minister on 6 transactions under the Canada Account in 2008-2009 in support of the automotive sector, exports to Cuba and a strategic Canadian shipyard. The high volume of transactions under the Canada Account, which is used to support transactions that are beyond the risk capacity of Export Development Canada but in the national interest, arose out of the severe tightening of credit available to Canadian business during the financial crisis.

To further encourage international trade and commerce, the department organized several important trade missions last year involving Canadian business delegates. Destinations included established and developing markets: Argentina, Uruguay, Chile, China (in collaboration with Transport Canada), Libya and South Africa. There was also a European Union mission, with events in Great Britain, Denmark and Italy.

The TCS maintains an inventory of over 600 market sector reports, which are available online (www.tradecommissioner.gc.ca/eng/market-report-access.jsp). During 2008-2009, the department produced, translated and published 96 new market sector reports and updated 97 existing reports pertaining to over 30 industry sectors in key overseas markets. The annual target was 200 new and updated reports. These reports were downloaded over 25,800 times during the most recent annual cycle and clients ranked the reports favourably (four out of a possible five points, on average) in terms of overall quality, utility and relevance. Improvements to the interface of the market report website, as well as direct mail, direct email and advertising contributed to public awareness of these important sources of market information.

DFAIT provided 681 referrals of potential foreign investors (729 in the previous year) to its domestic partners, primarily provinces, territories and municipalities. The department tracked 97 actual foreign direct investments in Canada that its investment network facilitated, compared with 148 the previous year. The decline in numbers was a result of the reduced ability and willingness of international business to make foreign investments during the global economic downturn.

To attract foreign investors to Canada, DFAIT developed an online benchmarking program for 15 sectors in which Canada has a comparative advantage. The new interactive tool was used in advising potential investors and creating 14 sector-specific value propositions (promotional products showcasing Canada's competitiveness vis-à-vis other locations around the world).

In addition, the department promoted use of Canada's Asia-Pacific Gateway and Corridor to 42 of the world's largest shipping firms, through a collaboration between the public and private sectors. Of the shippers contacted after the promotion, 20 percent had begun to use Canadian west coast ports. The Gateway's market share of container traffic shipped from Asia to the west coast of North America increased by 8.9 percent between April 2008 and March 2009. This change in market share will be used as a benchmark to assess performance in future years. Other key marketing activities included worldwide distribution of 26,000 copies, in eight languages, of the 2008-2009 *Invest in Canada (Go for Gold)* report (http://investincanada.gc.ca/download/760.pdf) to prospective investors; and provision of speakers and networking champions at 34 events, under the Investment Champions program. It should be noted that visits to the investincanada.gc.ca website, which is available in nine languages, increased from 6,000 per month in 2002 to 41,000 per month in 2007 and to 50,000 per month in 2008.

Canada signed a memorandum of understanding on science and technology (S&T) cooperation with Chile in June 2008 and an S&T treaty with Brazil in October 2008. Further S&T collaborations were formalized under the International Science and Technology Partnership Program (ISTPP), resulting in 20 Canada-China projects worth $11 million, eight Canada-India projects worth more than $17 million, and eight new initiatives with Israel valued at over $2 million. Overall, the amount of partner contributions leveraged from ISTPP funding was in the order of 400 percent, double the ratio of last year, and the total value of projects funded increased from $4 million to $30 million. In addition, the Canada-California Strategic Innovation Partnership initiative announced a large-scale research and development collaboration to fight cancer through the Cancer Stem Cell Research Consortium (made up of international researchers, funding agencies, non-governmental organizations and private sector partners).

Canada continued to have a strong presence under the European Research Area and Canada (ERA-Can) program to increase the quantity, quality and impact of science and technology cooperation between Europe and Canada. Approximately 280 proposals involving Canadian researchers were submitted by mid-April 2009, 69 of which were selected for funding. The projects cover several fields of research, including information and communications technology, food, agriculture, biotechnology, health, nanotechnologies, transportation and space.

In DFAIT's ongoing efforts—as part of its transformation process—to improve client services, the department upgraded its online export and import permit application systems and published an export controls handbook.

intended for use by exporters as the main reference tool on the subject. The Export and Import Controls Bureau website provides timely information to Canadian businesses and other stakeholders. For example, the posting of softwood lumber export data now occurs three times a day, and the website is kept up-to-date to reflect current policies. In addition, the Trade Controls Policy Division and the Softwood Lumber Division implemented a new risk management tool, which strengthened softwood lumber companies' compliance with the *Export and Import Permits Act*.

The TCS made client service improvements to support Canadian businesses along each of the routes they take in expanding internationally—through exports, two-way investment and innovation—as follows:

- In March 2009, the government announced its new Corporate Social Responsibility (CSR) Strategy for the Canadian international extractive sector. The strategy will improve the competitive advantage of Canadian extractive sector companies operating abroad by enhancing their ability to manage social and environmental risks. A portion of the TCS Client Service Fund was dedicated, beginning in 2008-2009, to supporting CSR-related projects. As an example of the 25 initiatives supported during the year, a mining toolkit was used in Ecuador and Colombia to engage community stakeholders and increase awareness of Canadian CSR policies and programs. A CSR centre of excellence was to have opened during the year, but is still under development.
- DFAIT's collaboration with federal partners on service delivery makes it easier for Canadian clients to access international commerce services. This service model brings together timely delivery of market leads on commercial opportunities with Canadian government guarantees and the financial tools clients need to win contracts abroad. A pilot project with the Canadian Commercial Corporation and Export Development Canada on public infrastructure opportunities, targeting high-value projects in Central and South America, has so far yielded one memorandum of understanding and six business leads for Canadian clients.
- Client feedback has consistently highlighted the need for the TCS to employ more in-depth industry sector knowledge in its programs and services. In its second year of operation, the life sciences pilot project drew on input from private sector advisers to develop business plans tailored to priority international markets. It also updated an investment attraction target list, and helped restructure the TCS Client Service Fund to prioritize the projects undertaken at TCS offices in support of clients in the sector. This pilot project, which uses a new model for delivering service to Canadian business, is led by an industry expert and brings together departmental expertise in investment, innovation, international markets and the industry to coordinate programs, services and strategies for clients. The department worked during the year toward establishing sector practices for other industries.
- The Global Commerce Support Program (GCSP) was established in December 2008 to provide a consolidated approach for Canadians to access international commerce funding from the department. The GCSP groups three previous contribution programs under one umbrella mechanism. The three programs are Invest Canada–Community Initiatives (formerly the Community Investment Support Program) for communities; Going Global–Innovation (formerly the Going Global Science & Technology Program) for companies and researchers; and Global Opportunities for Associations (formerly the Program for Export Market Development–Associations) for national associations. GCSP terms and conditions were developed in order to align with government priorities in the Global Commerce Strategy: to attract, retain and expand foreign direct investment, to increase Canadian innovation and commercialization opportunities, and to increase Canadian business success in foreign markets.

An appraisal of the department's 2008-2009 performance in international commerce-related activities would be incomplete without noting views from outside the country:

- According to the World Bank report entitled *Global Investment Promotion Benchmarking 2009* (www.ifc.org/ifcext/fias.nsf/Content/GIPB2009), DFAIT's Invest in Canada activities ranked fourth out of 181 national investment promotion agencies in providing information and services to potential investors.
- Canada ranked 14th, up from 21st in 2005, according to the 2007 A.T. Kearney FDI Confidence Index (www.atkearney.com/images/global/pdf/FDICI_2007.pdf).
- Canada ranked fourth behind Singapore, Finland and Denmark in the Economist Intelligence Unit's April 2008 Business Environment Rankings for 2008-2012, up from fifth place for 2003-2007 (www.eiuresources.com/mediadir/default.asp?PR=2008042102).
- Canada fell from seventh to eighth position in the World Bank's Ease of Doing Business ranking, covering April 2007 to June 2008 (www.doingbusiness.org/EconomyRankings/).
- Canada fell from sixth to eighth place in the 2007 A.T. Kearney/Foreign Policy Globalization Index (www.atkearney.com/index.php/Publications/globalization-index.html).

Lessons Learned

What worked well. The department's market sector reports published online were downloaded over 25,800 times during the most recent annual cycle, and clients ranked the reports favourably (4 out of 5 points on average) in terms of overall quality, utility and relevance.

Improved guidance to exporters related to policies and procedures through outreach seminars and regular updates to the Export and Import Controls Bureau website promoted better compliance by exporters.

What could be improved and what are we doing about it: Terms and conditions of the Global Commerce Support Program take into account recommendations contained in recent evaluations of the three contribution programs it replaced. The creation of a consolidated approach for processing contribution requests is expected to achieve administrative cost savings over the long term. In addition, the new program complies with DFAIT's enhanced management of grants and contribution programs, provides for a consistent risk and results-based management framework, and streamlines administrative processes. Furthermore, it provides flexibility to reallocate a part of the annual allocation from one part of the program to another to meet recipient demands.

In response to the decline in interest among foreign investors in pursuing new projects during the economic downturn, the department has stepped up efforts to build domestic capacity in investment attraction, by offering more courses to domestic partners, expanding the online content available to partners, and disbursing more money through the Community Investment Support Program (supporting 170 projects with a total value of $3.28 million, compared with 151 projects for a total of $2.6 million in 2007-2008).

The department is also undertaking assertive marketing activities related to trade and investment, such as leveraging the Vancouver 2010 Olympic Games to advance Canada's commercial outreach in priority markets in Asia, Europe and North America. This included the launch of the 2010 Reasons to Do Business in Canada campaign and development of a suite of 15 marketing tools and products for use by missions in priority markets.

2.2.2 Program Activity 4: Consular Affairs

Context: This program activity manages and delivers consular services and advice to Canadians. This work is done through consular agents and officers at missions abroad and in Canada, and through the use of the website www.voyage.gc.ca. The main target groups are Canadians outside Canada and Canadians planning to travel or live abroad. Consular services are delivered through a network of over 260 points of service in approximately 150 countries.

Benefits to Canadians: This program activity prepares Canadians for international travel by informing them about safe travel habits and providing them with credible and timely information and advice to enable them to make responsible decisions about travel to foreign countries.

As well as responding to routine requests for services, this program activity assists Canadians outside Canada (24 hours a day, seven days a week) in handling individual cases of distress and, in cooperation with partners at missions, it also provides a coordinated Government of Canada response to emergencies abroad.

In 2008-2009, the Consular Services and Emergency Management Branch underwent significant changes that resulted in a more comprehensive approach to protecting and assisting Canadians at home and abroad. The creation of the Branch's Emergency Management Bureau in September 2008 strengthened the government's ability to plan, prepare for and respond to emergency crises affecting Canadians. The department provided assistance to some 1,600 Canadians in over 26 separate crisis or emergency situations, including the terrorist attacks in Mumbai, the airport closures in Bangkok and the evacuation of some 80 Canadians from Gaza.

Program Activity 4: Consular Affairs					
2008-2009 Financial Resources ($ millions)			2008-2009 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
42.9	53.5	49.9	496	540	44

In the interests of concise reporting, the expected results for each program activity have not been taken directly from the 2008-2009 *Report on Plans and Priorities*. Instead, they have been consolidated into higher-level results that more accurately relate to the program activity level of the department's Program Activity Architecture. Performance indicators have been derived from three sources: the 2008-2009 RPP, information provided by DFAIT branches, and the department's draft Performance Measurement Framework.

Expected Results	Performance Indicators	Performance Summary
Canadians are better informed and well prepared to travel safely and responsibly abroad.	Canadians use the up-to-date country-specific travel reports published on the consular website to their benefit	The consular website logged more than 4.5 million visits.
		Due to international crises and events, the travel reports were updated 2,325 times.
	Number of people reached by consular outreach events	4 million publications were distributed.
	Number of publications distributed	The department reached over 125,700 people at outreach events.
	Status: Met all	
Canadians and Canadian interests are protected during times of crisis.	Number of Canadians assisted during emergencies abroad	Provided assistance to some 1,600 Canadians in more than 26 separate crises or emergencies.
	Number of calls to the Emergency Watch and Response Centre	Planned for three regional support offices for large-scale crises.
	Percentage of contingency plans reviewed and updated	Fielded 185,000 calls at the 24/7 Emergency Watch and Response Centre.
	Status: Met all	Reviewed and updated 48% of contingency plans, including for avian flu.
Canadians in Canada have improved access to consular services.	Sufficient staff for the provision of services at headquarters	Created 49 new positions to support the increased scope of consular services and emergency management, a 50% increase in headquarters staff.
	Number of services accessed annually	Over 8.5 million services were accessed (phone calls, visits to website, correspondence and publications).
	Status: Exceeded	
Canadians abroad received increased access to consular services abroad.	Percentage of cases for which service standards were met for passports, citizenship applications and prisoner visit services performed by consular officers	Added three new points of service in high-demand areas and upgraded Mexican points of service.
		Service standards were met 94% of the time for passports, 91% for citizenship services and 87% for prisoner visits.
	Adequate points of service	93% of Canadians who received a service were satisfied or very satisfied according to surveys.
	Status: Met all	
Improved management and coordination of consular services with Mexico.	Number of distress-related cases in Mexico closed	Of the distress-related cases opened in Mexico, 80% were closed.
	Adequate consular initiatives focused on Mexico	Established rapid response mechanism to manage complex cases.
	Status: Met all	One headquarters officer was assigned specifically to Mexico.
		Developed a publication explaining Mexican criminal law (www.voyage.gc.ca/80/documents/mexico-law_mexique-loi-eng.asp).

Performance Highlights: Consular Affairs aligns itself with the departmental priority strengthened services to Canadians, including consular, passport and global commercial activities.

Several complex cases were successfully resolved, including the return to Canada of five abandoned minors and of a woman forced into a marriage overseas. A number of high-profile and sensitive kidnapping cases were successfully resolved. The department also developed a post-release assistance plan to ensure that Canadian kidnapping victims receive appropriate consular services and follow-up care. With the growing number of cases involving Canadians abroad affected by illness, the department spearheaded an initiative for improved coordination with provincial authorities to ensure that Canadians receive appropriate hospitalization and support upon their repatriation to Canada.

The department opened more than 250,000 new consular cases in 2009-2009. The number of routine and distress-related cases increased 12 percent from the previous year. The consular website introduced a new feature this year, enabling clients to complete the feedback form online. A total of 4,672 feedback forms were received, up from 2,708 the previous year. Of the Canadians who responded, 93 percent said they were satisfied or very satisfied with the services they received.

Given the complexity of consular cases, the department strengthened its policy capacity and increased its consultations on key consular issues, both at home and abroad. A number of consultations took place to exchange best practices and ideas with like-minded countries (United States, United Kingdom, Australia and New Zealand).

Lessons Learned

What worked well: Through capacity building, DFAIT further improved aspects of emergency management, particularly those involving sustained and complex situations. There was also a coordinated effort to synchronize the resources of partner departments to enable a quicker and more efficient response overall.

What could be improved and what we are doing about it: Effective public communications is key during a large-scale crisis. Planning, policy development and programming are under way to improve this aspect of consular work. For instance, the online Crisis Portal will consolidate information and lessen redundancy while improving efficiency. To increase public awareness of consular services and the safe-travel program, the department will explore the possibility of implementing a public awareness campaign to reach different target audiences.

2.2.3 Program Activity 5: Passport Canada

Context: This program activity manages and delivers passport services through use of the Passport Canada Revolving Fund. Operations are financed primarily through user fees. This program activity enables the issuance of secure travel documents to Canadians, facilitating travel outside Canada and contributing to international and domestic security. The work is done through authentication of the identity and entitlement of applicants. The main target group is Canadian citizens travelling abroad.

Benefits to Canadians: This program activity provides Canadians with secure travel documents through an extensive domestic network of 33 regional offices, 141 Service Canada locations, 56 Canada Post outlets and the central operations. Abroad, passport services are offered through the network of Canada's missions abroad.

Thanks to modernization projects, infrastructure development and contingency planning, passport applicants did not experience long wait times in over-the-counter or mail services in 2008-2009 (www.passport.gc.ca/publications/index.aspx?lang=eng#reports). This was a significant accomplishment given the volume of passport applications, mostly due to the United States' Western Hemisphere Travel Initiative.

Canada's secure travel documents have advanced anti-fraud protection measures embedded in them. Provision of increasingly secure travel documents has facilitated travel and contributed to domestic and international security.

Program Activity 5: Passport Canada					
2008-2009 Financial Resources ($ millions)			2008-2009 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
0.0	100.8	44.8	2,633	2,832	199

In the interests of concise reporting, the expected results for each program activity have not been taken directly from the 2008-2009 *Report on Plans and Priorities*. Instead, they have been consolidated into higher-level results that more accurately relate to the program activity level of the department's Program Activity Architecture. Performance indicators have been derived from three sources: the 2008-2009 RPP, information provided by DFAIT branches, and the department's draft Performance Measurement Framework.

Expected Results	Performance Indicators	Performance Summary
The passport application process is simplified without jeopardizing security.	Reputation and acceptability of the Canadian passport ensured (for more information, see http://www.icao.int/) **Status: Met all**	Successfully launched pilot electronic passport (ePassport) project, issuing over 4,000 diplomatic and special passports.
		Developed first phase of facial recognition technology.
		Implemented robust outreach strategy, enhancing key partnerships with police agencies and the Canada Border Services Agency.
Passport services are made more convenient for Canadians.	Adequate number of offices and receiving agent outlets	Opened an additional 40 receiving agent outlets.
		Held 59 passport clinics in remote or border communities across every province and territory.
	Percentage of completed applications processed in compliance with service standards	Processed 98.7% of completed applications in compliance with service standards.
	High level of client satisfaction	Degree of client satisfaction with services was up 7 points from the preceding year, to 96%, according to client surveys.

Expected Results	Performance Indicators	Performance Summary
	Status: Met all	Two-dimensional barcode technology replaced Passport On-Line (POL), accelerating data entry and reducing the chance of errors. The barcode technology is a more popular option with applicants, as illustrated by the number of applications received: 100,000 barcode applications, compared with 9,994 POL applications in the same period.
Improved service to Canadians through infrastructure improvement	Greater printing capacity for increased speed of delivery process	Due to printer replacements, printing capacity increased from 8,000 to 10,000 passports per day using fewer printers.
	Productivity improvements as a result of activity-based costing	A 25% increase in productivity was achieved in central operations assisted by the information and measurement provided by activity based costing.
	Status: Met all	

Performance Highlights: The Passport Canada program activity aligns itself with the departmental priority strengthened services to Canadians, including consular, passport and global commercial activities.

- Forty new receiving agent locations were opened in Canada in response to client demand.
- Clients reported a satisfaction rate of 96 percent when rating agency services in surveys. Of these, 44 percent were very satisfied.
- The first electronic passport was issued on January 12, 2009, and a total of 4,000 diplomatic and special ePassports were issued over the course of the year. The ePassport will be made available to all Canadians in 2011.
- Despite a high volume of passport applications, mostly due to the WHTI, applicants experienced no long wait times, as demonstrated by internal tracking of achievement of service standards.
- A total of 40 percent of adult passport applications were renewals. All service standards were met in their processing.
- The first phase of facial recognition technology was developed, involving manual importation of all photographs saved to the central electronic database.

For more performance information, see www.passport.gc.ca and www.oag-bvg.gc.ca/internet/English/parl_oag_200903_e_32304.html

Lessons Learned

What worked well: Process improvements and infrastructure modifications facilitated the agency's ability to deal with increased volumes without negatively affecting client service.

What could be improved and what the agency is doing about it: The agency's executive committee focused its work on priority projects to ensure the greatest possible progress. Funding flexibility and capacity remain a challenge due to the governance and funding structure of the agency. However, efforts are being made to find reinvestment opportunities through productivity and technological improvements. Forecasting passport application demand is a challenge in a constantly shifting environment, but the forecast is reviewed and revised when operating conditions change.

Retention and recruitment of staff remains a priority issue for the agency. During this fiscal year, 629 employees were hired.

2.3 Strategic Outcome 3: Canada's International Platform

2.3.1 Program Activity 6: Canada's International Platform: Support at Headquarters

Context: This program activity manages and delivers services and infrastructure at headquarters to enable Canada's representation abroad. The work is done by coordinating with various departmental units and 30 federal and other partners who have operations at Canada's missions abroad.[17]

Benefits to Canadians: Using a single-window approach, this program activity provides infrastructure and related services to 173 missions in 110 countries. As a result of the department's 2007 strategic review, various functions related to the delivery of common services were consolidated under a single assistant deputy minister. To build an effective and equitable network, the international platform's governance structure has brought DFAIT's partners to the decision-making table, resulting in a more agile system for providing services and infrastructure abroad.

[17] These include Crown corporations, such as Export Development Canada, as well as provincial governments.

Program Activity 6: Canada's International Platform: Support at Headquarters					
2008-2009 Financial Resources ($ millions)			2008-2009 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
265.8	328.6	317.6	914	989	75

In the interests of concise reporting, the expected results for each program activity have not been taken directly from the 2008-2009 *Report on Plans and Priorities*. Instead, they have been consolidated into higher-level results that more accurately relate to the program activity level of the department's Program Activity Architecture. Performance indicators have been derived from three sources: the 2008-2009 RPP, information provided by DFAIT branches, and the department's draft Performance Measurement Framework.

Expected Results	Performance Indicators	Performance Summary
Federal departments and other partners are satisfied with the department's common services delivery.	Positive feedback from the annual client survey Number of client complaints Clients' full engagement and active participation in their partnership with DFAIT Implementation and refinement of an automated costing framework for common services abroad **Status: Met all**	Assessed satisfaction with the overall quality of service delivery in a pilot client survey: 69% of Canada-based staff (CBS) and 72% of locally engaged staff (LES) were satisfied.[19] The number of complaints decreased 50% from the previous year (all complaints were successfully resolved to clients' satisfaction), as a result of better communications with clients on service standards. Completed renegotiation of the Memorandum of Understanding on Common Services ahead of schedule, due to active engagement of partners. Completed Phase I of costing automation, and implemented the refined system.
Human resources at HQ and abroad support Canada's representation abroad.	Implementation of human resources (HR) planning tools for missions completed on schedule First phase of the global review of LES terms and conditions of employment completed on schedule Completion of an integrated HR plan for the International Platform Branch **Status: Met all**	HR planning tools: 89% completed as planned for the year and distributed them to all missions on time. Eight missions finished reviewing the terms and conditions of employment for their locally engaged staff, and another 34 missions started reviews. Developed integrated HR plan for the International Platform Branch.
Financial activities at missions abroad are monitored, and controls are strengthened.	Separation of mission budgets into common services and program activities **Status: Met all**	Divided mission budgets into common services and program budgets, improving monitoring and reallocations.
Operations and services of the department and its partners at Canada's missions abroad are supported by appropriate infrastructure.	Maintenance or improvement of the department's Management Accountability Framework (MAF) ratings Governance structure representing business lines and partner departments in place to provide strategic direction, endorse priorities and oversee investments **Status: Met all**	Maintained "strong" MAF VI ratings for effectiveness of information technology management, asset management and project management; improved ratings for effectiveness of information management, from "opportunity for improvement" to "acceptable" and for effective management of security and business continuity, from "acceptable" to "strong." Provided strategic direction, oversaw investment decisions and endorsed priorities for information management and technology (IM/IT) Governance.
The accommodation infrastructure at missions is managed to meet government and	Cost and schedule objectives of the effective project approval standard met Achievement of International Organization for Standardization (ISO)	All 12 completed projects met the cost objective for effective project approval; while 83% met the schedule objective within three months; maintained "strong" MAF VI rating for effectiveness of asset management and project management. 85% of projects met ISO certification standards.

[19] Based on a 2008-2009 client survey distributed to 160 employees (88 CBS and 72 LES) at 29 missions. There were 68 respondents (30 CBS and 38 LES)—a 42% participation rate.

Expected Results	Performance Indicators	Performance Summary
departmental priorities.	certification standards Effective and efficient management of the refurbishment, leasing or construction of office and residential accommodation at missions Alignment of accommodation infrastructure and major project management with government priorities achieved **Status: Met all**	Successfully used departmental project priority list to plan property expenditures, managed accommodations against priorities, acquired a new site for the Moscow embassy; completed a new building in Dhaka; and substantially advanced long-term arrangements in London, Paris, Mexico City and New York.
Missions are secure, personnel are safe, and assets and information are protected at missions abroad.	Performance of regular on-site security inspections (physical and personal safety, information technology and technical) to adequately protect Government of Canada personnel and assets abroad Provision of upgraded security services and training to missions **Status: Somewhat met**[19]	Visited 105 posts for formal inspections, specific problem examinations, physical security upgrades, or work related to major renovations and relocations; conducted seven technical inspections and 20 other mission visits for installation of shielded facilities.
		Linked briefings on security at missions to accurate threat and risk assessments; maintained new online security training.
		Reviewed and updated policies and procedures to better protect personnel, information and assets. Security inspections (physical and personal safety, information technology and technical) of missions are performed regularly, with priority given to high-risk missions.

Performance Highlights: This program activity and with Program Activity 7 make possible the international operations of the entire Government of Canada and of its partners who also have operations at Canada's missions abroad. The 2008-2009 achievements of this program activity correspond to the following priorities identified in the year's *Report on Plans and Priorities*: strengthened stewardship of the department's resources (human, financial, physical and technological) and of Canada's international representation generally, reflecting alignment with Government of Canada priorities, and launching of DFAIT's transformation process, including meeting the challenge of strengthening Canada's global mission network. Governance, service standards, planning and performance measurement were further integrated, and resources were strategically deployed to improve efficiency.

The mandate of common services delivery was consolidated under one assistant deputy minister to efficiently manage human and financial resources, services and infrastructure. A global review of the management of LES was initiated. An integrated human resources plan for the International Platform Branch was developed, and HR planning tools were provided to missions, in support of Canada's representation abroad. Monitoring of mission budgets was improved by separating common services from program funding. Security and infrastructure management was improved, in accordance with national and international standards and government priorities.

The department achieved its objective of measuring client satisfaction with the delivery of common services. Results of a pilot client survey were used to develop a baseline measure and to set targets for future performance. The number of client complaints was cut in half in 2008-2009. All clients participated in renegotiating the service agreement (part of the Memorandum of Understanding on Common Services). As a result of organizational alignment, integrated planning and client engagement, all client demands as well as common services and infrastructure objectives were met, and services were delivered on time.

Lessons Learned

What worked well: Establishment of the International Platform Branch improved service efficiency through realignment and integration of resources as well as improved monitoring and governance. Mission budgets were divided into common services and program budgets to ensure better monitoring. Development of a departmental project priority list ensured alignment of departmental objectives with those of the government as a whole. Objectives of the department's transformation process were met through organizational realignment, and growing service demands were successfully handled in a timely manner.

What could be improved and what we are doing about it: Performance measurement needed to be strengthened by setting a target for client satisfaction. Service standards needed to be better defined and communicated. The

[19] As the Government of Canada continues to expand its presence abroad, particularly to increasingly complex, higher-threat environments, the department is assessing systems to address evolving security risks.

department has set a target of 75 percent for client satisfaction, and is establishing, communicating and monitoring service standards identified in the Memorandum of Understanding on Common Services.

2.3.2 Program Activity 7: Canada's International Platform: Support at Missions Abroad

Context: This program activity manages and delivers services and infrastructure at Canada's 173 missions in 110 countries, enabling the international operations of the entire Government of Canada and its partners at missions abroad. This work is done by coordinating with various departmental units and 30 federal government and other partners working out of Canada's missions. This program activity ensures that services such as human resources, financial management, asset and materiel management, comptrollership, mail and diplomatic courier services, and bandwidth acquisition are in place at missions to support Canada's international policy objectives and program delivery.

Benefits to Canadians: This program activity provides support to key Government of Canada programs delivered through Canadian missions, such as consular and commercial services, the Political/Economic Reporting and Public Affairs (PERPA) program, immigration services, international aid and development assistance, border security and national defence. According to the Annual Report on Representation Abroad, there were over 260 points of service as of June 30, 2009. To better support these programs, five new missions were opened in 2008: at Hyderabad and Kolkata in India; Ulaanbaatar in Mongolia; Karachi in Pakistan; and Astana in Kazakhstan. No mission closures were carried out this year.

Program Activity 7: Canada's International Platform: Support at Missions Abroad					
2008-2009 Financial Resources ($ millions)			2008-2009 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
532.9	582.5	580.2	4,251	4,052	(199)

In the interests of concise reporting, the expected results for each program activity have not been taken directly from the 2008-2009 *Report on Plans and Priorities*. Instead, they have been consolidated into higher-level results that more accurately relate to the program activity level of the department's Program Activity Architecture. Performance indicators have been derived from three sources: the 2008-2009 RPP, information provided by DFAIT branches, and the department's draft Performance Measurement Framework.

Expected Results	Performance Indicators	Performance Summary
Management and administrative services at missions are improved and cost-effective.	Improved and rationalized management and administrative processes as well as practices related to mission operations, financial management and control, and administration of human resources and property resources. **Status: Met all**	Designed a new Regional Service Centre (RSC) business model to consolidate resources, delegate authorities and functions to the regions, and improve the efficiency and effectiveness of services (four regional workshops introducing the RSC were held at missions in Africa, the Middle East, Asia and the Americas). The first RSC is set to open in the fall of 2009. Service standards for the RSC are under development.
Departmental and partner programs and activities are successfully supported at missions abroad.	Successful completion of annual consultation on changes to positions abroad, within prescribed timelines.	The 850 requests for position changes that were received from 31 partner departments and agencies in the first annual interdepartmental consultation were all processed on time despite a 25% increase in requests from 2007-2008.
	Client satisfaction with respect to common service delivery at missions.	A client survey[20] yielded positive results: 88% of Canada-based staff (CBS) and 89% of locally engaged staff (LES) were satisfied with IM/IT services, and 86% of CBS and 82% of LES satisfied with infrastructure provided.
	Timely review of Foreign Service Directives (FSDs) in order to take into account local conditions of host countries and the exigencies of foreign service. Provision of timely and efficient relocation services to ensure personnel are located where they need to be in order to advance	Successfully completed the cyclical review of FSDs after one year of negotiations with the National Joint Council and Treasury Board of Canada Secretariat (several changes recommended by the department were adopted to modernize and simplify the directives and to reallocate funding toward families, in line with current demographics and priorities).

Expected Results	Performance Indicators	Performance Summary
	government priorities **Status: Exceeded**	Handled 20% more relocations this year than last year (relocated 1,000 staff and their families this year, compared with 830 in 2007-2008). According to results of a client survey[21] of 823 employees relocated in 2008-2009, 74% expressed a high level of satisfaction with services received.
Operations and services at missions abroad are supported by information management and technology infrastructure.	Reliable, cost-effective and agile connectivity and IM/IT infrastructure at missions Engagement of program managers and partners in IM/IT investment decisions related to the international platform Deployment of secure global communications and other mechanisms at missions to enable rapid recovery from disasters and emergencies and to ensure Government of Canada security **Status: Met all**	According to an internal IM/IT client survey, 92% were satisfied with the ease of use, productivity and processing of the department's upgraded classified network.
		According to an evaluation survey, 97% of Information Management Improvement Program clients agreed that it increased IM awareness and provided tools for compliance.
		An emergency IT services kit was maintained for departmental response to crises at home and abroad.
Government resources support Canada's objectives in Afghanistan.	Support for coordination of Canada's mission in Afghanistan, through the embassy in Kabul Establishment of a civilian representative of Canada in the Kandahar office, with sufficient staff to ensure coordination between Kabul- and Kandahar-based activities **Status: Exceeded**	Security of existing facilities in Kabul was improved, and a new site for the embassy was identified (letter of intent signed by Canada and Afghanistan, engaging both sides to finalize lease negotiations for a permanent embassy by the end of 2009).
		Civilian representative in the Kandahar office was established to ensure coordination between Kabul- and Kandahar-based activities; the number of employees posted in Afghanistan doubled in 2008-2009; a database of Afghan detainees created for the department's Afghanistan Task Force. The website Canada's Engagement in Afghanistan (www.afghanistan.gc.ca/canada-afghanistan/index.aspx?lang=en) integrates information from DFAIT, the Department of National Defence and the Canadian International Development Agency to ensure coherent government messaging.

Performance Highlights: This program activity and Program Activity 6 make possible the international operations of the entire Government of Canada and its partners who also have operations at Canada's missions abroad. The 2008-2009 achievements of this program activity correspond to the following priorities identified in the year's *Report on Plans and Priorities*: strengthened stewardship of the department's resources (human, financial, physical and technological) and of Canada's international representation generally, reflecting alignment with Government of Canada priorities; and launching of DFAIT's transformation process, including meeting the challenge of strengthening Canada's global mission network.

The department met its objective to improve the management and cost-effectiveness of administrative services at missions. This work will be advanced further by implementation of the new Regional Service Centre model in the fall of 2009, which will guide efforts to rationalize the management of resources, functions and authorities at missions.

The department maintained a secure and reliable IM/IT infrastructure as well as an IT service kit for crisis response. The updated classified network was acclaimed by clients as fast, useful and productive.

The department's timely and successful completion of annual consultations on changes to positions abroad and related reallocation services exceeded expectations. The department handled approximately 20 percent more requests for changes and relocations in 2008-2009 and was able to complete them on schedule. Clients expressed a high level of satisfaction with these and other services and infrastructure.

The aim of the department to support Canada's objectives in Afghanistan was also exceeded. The department's most significant achievements in this regard were to support the coordination of Canada's mission in Afghanistan through the embassy in Kabul and to advance negotiations for a permanent site for the embassy in Kabul.

Lessons Learned

[20] Service Delivery Standards: Client Satisfaction Survey 2008-2009. The results will be published in the annual report on Canada's representation abroad.
[21] FSD Service and Policy Bureau, client service questionnaire, 2008.

What worked well: The department's aim was to enable program managers to focus on their core mandates. Through consultations with missions and partners, the international platform that DFAIT provides is evolving to become more responsive to the needs of heads of missions, program staff and partners.

What could be improved and what we are doing about it: More can be accomplished in establishing and explaining measurable and verifiable performance indicators, such as those related to requests for mission openings/closings and for position changes. Targets of 95 percent have been set for timely completion of approved requests for mission openings/closings and position changes. Evaluation of common service delivery is expected to take place every five years.

2.4 Internal Services

Context: Internal Services are activities that make possible all of the department's operations. Without Internal Services, the department could not carry out its mandated functions or advance its strategic outcomes.

Benefits to Canadians: Internal Services enable the delivery of program activities 1 through 7, described earlier in this report. The department has reviewed its processes and activities in order to improve their quality as well as alignment of resources (human, financial, physical and technological) with international policy objectives and program delivery. Departmental performance for Internal Services includes lessons learned from internal and external reports as well as from the department's Management Accountability Framework (MAF) assessments.

Expected Results	Performance Indicators	Performance Summary
Governance and Management Support: Management and Oversight		
Full alignment is achieved with TBS and departmental policies on audit, evaluation, inspections, and values and ethics.	Adequate corporate governance structure, based on TBS policies, including MAF Level of alignment of departmental policies with the most recent federal policies on internal audit, evaluation, inspections, and values and ethics Maintenance or improvement of the department's most recent MAF scores pertaining to Areas of Management (AoMs) 1, 3, 6 and 18 **Status: Mostly met**	• Established corporate governance structure, consisting of seven boards and committees, which resulted in an improved score related to MAF AoM 3 (Effectiveness of Corporate Management Structure) from "opportunity for improvement" to "acceptable." • Developed a five-year risk-based evaluation plan. • Completed 17 mission inspections, 15 special investigations, 75 recipient audits and 16 evaluations. • Pursuant to the *Public Servants Disclosure Protection Act*, developed Code of Conduct for all employees. • In accordance with Treasury Board policy, a Departmental Audit Committee was established. It held six meetings during which it reviewed departmental documents and provided advice to the Deputy Ministers upon its review of the documents. This should improve the MAF score related to AoM 18 (Effectiveness of the Internal Audit Function) in future, but the score was maintained as "opportunity for improvement." • Maintained the MAF score for AoM 1 (Values-based Leadership and Organizational Culture) as "strong." • Gave values and ethics presentations at headquarters, 20 missions and one regional office. • The Departmental Evaluation Committee approves reports related to program evaluation and mission inspections. These functions, fully aligned with relevant TBS and departmental policies, ensure value for money and generate advice on how to improve DFAIT programs. The score related to MAF AoM 6 (Quality and Use of Evaluation) improved from "acceptable" to "strong."
Resource Management Services: Human Resources (HR)		
High-quality HR services are consistently delivered in support of core services.	Level of satisfaction and fulfillment of employees and their families posted abroad Adequate capacity pools of qualified candidates to meet requirements for country- or region-specific language skills Targets met for employee equity representation **Status: Met all**	• Created a Spousal Employment Support Office to aid families in deployment abroad. • Facilitated foreign-language training for 1,001 employees, up 200 from the previous year. • Improved targeted employee equity representation in all four areas: women, Aboriginal peoples, persons with disabilities and visible minorities. • Improved the score related to MAF AoM 10 (Workplace) from "opportunity for improvement" to "acceptable."
The department is	Adequate pool of	• 263 employees successfully qualified in an exercise to create a pool of

Expected Results	Performance Indicators	Performance Summary
effectively staffed to deliver on its business priorities.	qualified employees is available to draw from to meet human resource needs Positions filled abroad by employees with advanced foreign-language skills **Status: Met all**	candidates with specific skill sets to fill shortages for political/economic foreign service officers and administrative management-consular officer positions. • Launched largest-ever executive recruitment (EX-01) process to replenish the pool of qualified candidates; 250 interviews took place. • Filled 90% of designated advanced foreign-language positions abroad, representing a 74% increase in capacity (this responded to a 2007 Auditor General report critical of the department on this issue). • Launched a succession planning exercise, identifying 89 critical executive positions to be targeted. • Maintained the score for MAF AoM 11 (Workforce) as "acceptable."
Resource Management Services: Financial Management; and Asset Management: Acquisitions		
Efficient and effective financial and procurement management service based on a solid organizational foundation consisting of sound business practices, processes, systems and people is delivered.	Adherence to TBS policies related to financial and procurement management **Status: Met all**	• Adopted a Chief Financial Officer model, modernizing financial and procurement management and implementing a risk-based model for international financial operations. • Developed an awareness training program for procurement and delivered it to many levels within the department, focusing on its relationship to the MAF. • Created a new division responsible for financial policies, internal controls and training. • Maintained the scores related to MAF AoM 14 (Effectiveness of Asset Management) and AoM 15 (Effective Project Management) as "strong." The score for AoM 16 (Effective Procurement) was maintained as "acceptable" and the score for AoM 17 (Effectiveness of Financial Management and Control) improved from "opportunity for improvement" to "acceptable."
Resource Management Services: Information Management		
MAF scores for information management and information technology management services are "acceptable" or higher.	MAF scores for AoMs 12 and13 scored "acceptable" or higher **Status: Met all**	• Improved the MAF score for AoM 12 (Effectiveness of Information Management) from "opportunity for improvement" to "acceptable." The score for AoM 13 (Effectiveness of IT Management) was maintained as "strong."

Lessons Learned

What worked well: The department undertook ambitious work to strengthen its accountability and renew its human resources as part of the departmental transformation process. This work was mostly very successful, as indicated by the MAF scores with respect to 12 Areas of Management related to Internal Services. For five out of the 12, the department improved its scores from the previous assessment. Four AoMs were maintained as "strong," two AoMs were unchanged at "acceptable," and one was unchanged at "opportunity for improvement."

What could be improved and what we are doing about it: The 2009-2010 *Report on Plans and Priorities* (www.tbs-sct.gc.ca/rpp/2009-2010/index-eng.asp?acr=1375) outlined in detail the initiatives and policies that will be assessed to measure progress in strengthening the department's management and oversight. One area in particular need of improvement is AoM 18 (Effectiveness of the Internal Audit Function), where the department's MAF score remained at "opportunity for improvement," the same as in its previous MAF assessment. Change has already taken place. The Departmental Audit Committee, created the previous year, provides much-needed oversight, which should improve the AoM 18 score in the future.

3. Section 3: Supplementary Information

3.1.1 Financial Highlights

($ millions)

Condensed Statement of Financial Position At End of Year (March 31)	% Change	2009	2008
ASSETS			
Total Assets	+21 %	4,874	4,026
TOTAL	+21 %	**4,874**	**4,026**
LIABILITIES			
Total Liabilities	+6 %	525	495
EQUITY			
Total Equity	+23 %	4,349	3,531
TOTAL	+21 %	**4,874**	**4,026**

($ millions)

Condensed Statement of Financial Position At End of Year (March 31)	% Change	2009	2008
EXPENSES			
Total Expenses	+26 %	3,129	2,474
REVENUES			
Total Revenues	+43 %	1,208	847
NET COST OF OPERATIONS	+18 %	**1,921**	**1,627**

The purpose of this section is to explain the department's financial highlights during the 2008-2009 fiscal year, based on the department's consolidated financial statements. The charts below illustrate the ending balances, as of March 31, for each major financial statement grouping, along with the corresponding change from the previous fiscal year. In summary, between 2007-2008 and 2008-2009, the department's expenses increased by 26 percent and its assets increased by 21 percent. Below the chart are explanations for the variances in each major grouping based on the most significant factors that affected each grouping during the fiscal year.

The year-over-year increase of $848 million or 21 percent in total assets is primarily attributable to a $350 million increase in DFAIT's investment in Export Development Canada (total Crown Corporation investment was $1,341 million in 2008-2009, compared with $991 million in 2007-2008); a $350 million increase in Canada Account loans, mainly due to foreign exchange revaluations; an increase in accounts receivable and advances of $94 million; and an increase in DFAIT's prepaid expenses of $38 million. In addition, tangible capital assets had a net increase of $8 million (gross value increased by $90 million). Various non-capital assets accounted for the remaining year-over-year increase.

The year-over-year increase of $30 million or 6 percent in total liabilities was mainly due to a $21 million increase in accounts payable and accrued liabilities, caused by an increase in transaction volume, increased year-end workload and an increase in payables related to legal and travel expenditures and a $9 million increase in employee severance benefits, mostly due to an increase in the percentage rate provided by Treasury Board and the Office of the Comptroller General, which is used to calculate the liability.

The year-over-year increase of $818 million or 23 percent in departmental equity to $4,349 million in 2008-2009 from $3,531 million in 2007-2008 is calculated by subtracting the net change in operations of $1,921 million from the opening balance and by adding the net cash provided of $2,646 million plus the $93 million in services provided without charge by other government departments. For more information, refer to the Financial Statement's Statement of Equity and Note 3 Parliamentary Appropriations.

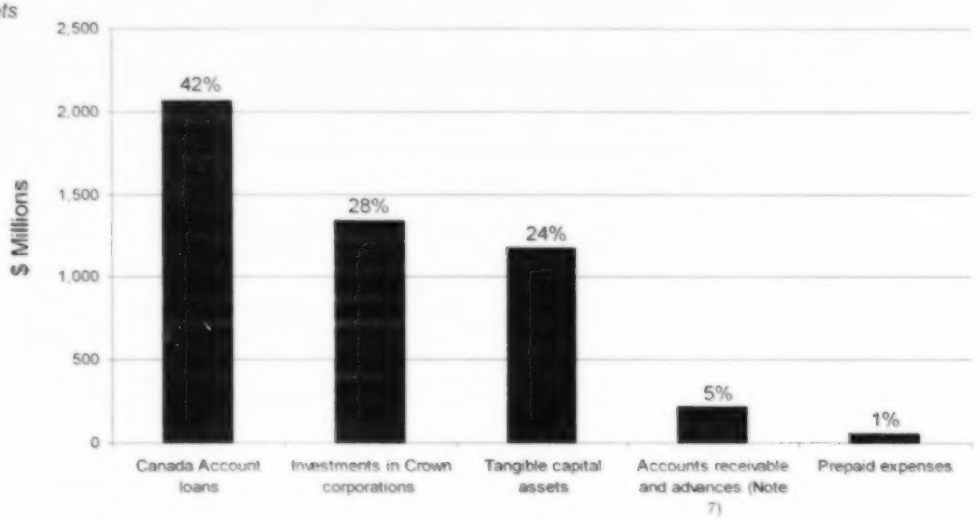
The year-over-year increase of $655 million or 26 percent in total expenses was attributable to a $620 million change in the provision for loans and guarantees related to the Canada Account; a $161 million increase in salaries and employee benefits, which was mainly due to the addition of FTEs; a $71 million increase in bad debt expense, mainly related to the Canada Account; a $54 million increase in professional and special services; a $34 million increase in transfer payments; a $25 million increase in rental expenses, mainly related to lands and buildings abroad; a $18

million increase in transportation and telecommunications; a $12 million increase in information expenses; a $5 million increase in the cost of utilities, materials and supplies; and a $344 million decrease in foreign exchange loss (the department recorded a net gain in 2008-2009).

The year-over-year increase of $361 million or 43 percent in total revenues was primarily attributable to a $603 million increase in gains on foreign exchange revaluations at year end, which stemmed from the revaluation of EDC's Canada Account loans at that time. Interest on non-tax revenues increased by $65 million, mainly due to increased revenues related to Canada Account loans; a $250 million decrease in dividend revenue from EDC; a $33 million decrease in gains on the sale of real property sold abroad; and a $23 million drop in the sale of goods and services, due to a decline in the number of passports issued by Passport Canada.

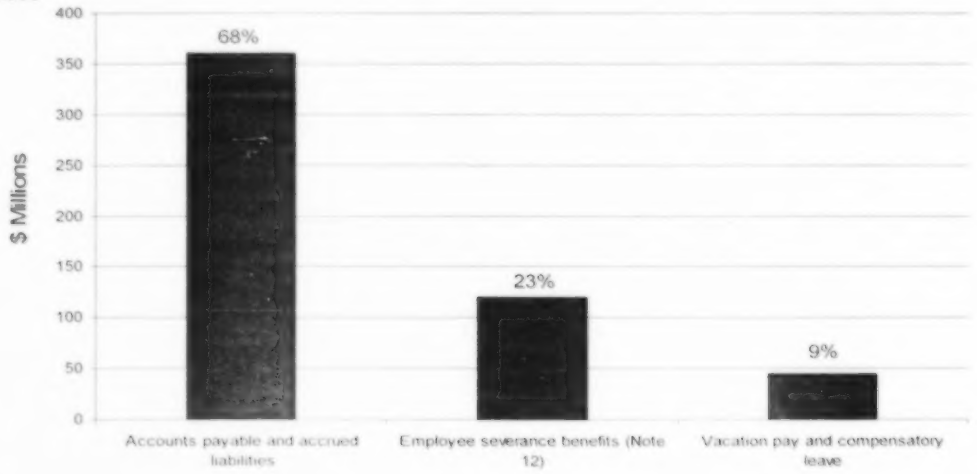
Additional Analysis

Assets



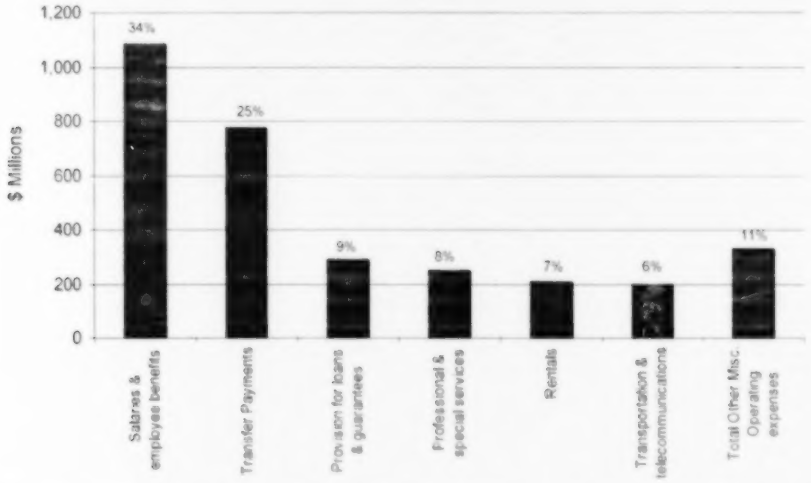
The department's total assets were $4,874 million in 2008-2009 compared with $4,026 million in 2007-08, an increase of 21 percent or $848 million. The department's total financial assets were $3,636 million or 75 percent of total assets, while the total non-financial assets were $1,238 million or 25 percent of total assets. Total assets consisted primarily of $2,067 million or 42 percent in Canada Account loans, investments in Crown corporations of $1,341 million or 28 percent; tangible capital assets of $1,177 million or 24 percent; accounts receivable and advances of $219 million or 5 percent; and prepaid expenses of $54 million or 1 percent.

Liabilities



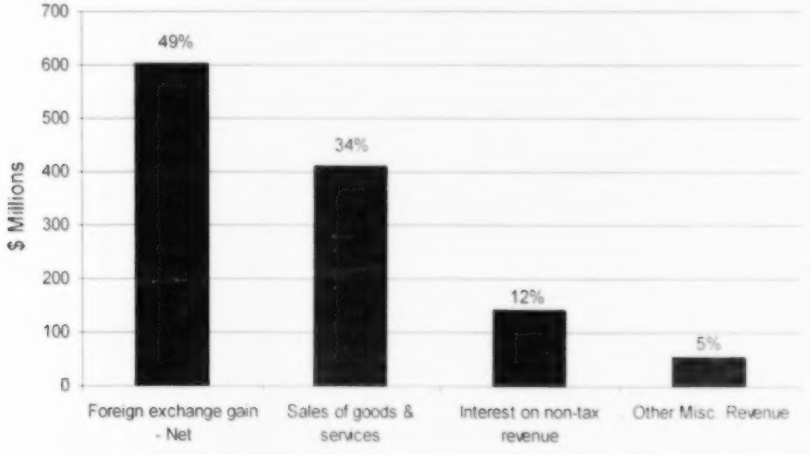
Total liabilities were $525 million in 2008-2009 compared with $495 million in 2007-2008, an increase of $30 million or 6 percent. Accounts payable and accrued liabilities accounted for $360 million or 68 percent; employee severance benefits amounted to $120 million or 23 percent; and vacation pay and compensatory leave totaled $45 million or 9 percent.

Expenses



The department's expenses in 2008-2009 were $3,129 million compared with $2,474 million in 2007-2008, which represents an increase of $655 million or 26 percent. In 2008-2009, salaries and benefits accounted for $1,085 million or 34 percent of DFAIT's total operating expenditures. Transfer payments accounted for $775 million or 25 percent of the department's total expenses. This included $399 million in payments to the United Nations and related organizations; $366 million in payments to other non-profit organizations; $91 million in payments to national non-profit organizations; and $19 million in other payments. The remainder of total operating expenses was accounted for by for loans and guarantees of $287 million or 9 percent; professional and special services expenses of $249 million or 8 percent; rentals expenses of $207 million or 7 percent; transportation and telecommunications expenses of $195 million or 6 percent; and other miscellaneous operating expenses of $331 million, or 11 percent.

Revenues



The department's total revenues were $1,203 million in 2008-2009, compared with $847 million in 2007-2008, which represents an increase of $361 million or 43 percent. Foreign exchange gains accounted for $603 million or

49 percent of total revenues. These gains primarily arose from the revaluation of Canada Account loans in foreign currencies (71% of the portfolio). Sales of goods and services accounted for $409 million or 34 percent, chiefly of passport sales of $263 million and consular fees of $93 million. Interest on non-tax revenues accounted for $142 million or 12 percent, while other miscellaneous revenue accounted for the remainder $54 million or 5 percent.

Financial Statements

www.international.gc.ca/finance/

3.1.2 Listing of Online Information

Listing of Information to Be Placed Online

Please note that the following tables are not published in the print version of the *Departmental Performance Report* for 2008-2009. They can be viewed on the Treasury Board Secretariat's website at www.tbs-sct.gc.ca.

Table 1: Sources of Respendable and Non-Respendable Revenue

Table 2: User Fees/External Fees

- Table 2.1-A: User Fees Act—Access to Information
- Table 2.1-B: Policy on Service Standards for External Fees—Access to Information
- Table 2.2-A: User Fees Act—International Youth Program
- Table 2.2-B: Policy on Service Standards for External Fees—International Youth Program
- Table 2.3-A: User Fees Act—Export/Import Fees
- Table 2.3-B: Policy on Service Standards for External Fees—Export/Import Fees
- Table 2.4-A: User Fees Act—Consular Service
- Table 2.4-B: Policy on Service Standards for External Fees—Consular Service
- Table 2.5-A: User Fees Act—Specialized Consular Service
- Table 2.5-B: Policy on Service Standards for External Fees—Specialized Consular Service
- Table 2.6-A: User Fees Act—Passport Canada
- Table 2.6-B: Policy on Service Standards for External Fees—Passport Canada Revolving Fund

Table 3: Details on Transfer Payment Programs

Program Activity: Diplomacy and Advocacy

- Table 3.1: An Act to Authorize the Minister of Finance to Make Certain Payments, 2005 and Budget Implementation Act, 2007
- Table 3.2: Commonwealth Secretariat
- Table 3.3: Food and Agriculture Organization of the United Nations (FAO)
- Table 3.4: Global Peace and Security Fund (GPSF)
- Table 3.5: Grants in Aid of Academic Relations
- Table 3.6: Initiatives Related to the Destruction, Disposition and Securing of Weapons of Mass Destruction
- Table 3.7: International Atomic Energy Agency (IAEA)
- Table 3.8: International Criminal Court (ICC)
- Table 3.9: International Labour Organisation (ILO)
- Table 3.10: International Organization of the Francophonie (OIF)
- Table 3.11: North Atlantic Treaty Organization (NATO) Civil Administration
- Table 3.12: Organisation for Economic Co-operation and Development (OECD)
- Table 3.13: Organization for Security and Co-operation in Europe (OSCE)
- Table 3.14: Organization of American States (OAS)
- Table 3.15: Payments in Lieu of Taxes on Diplomatic, Consular and International Organizations' Property in Canada
- Table 3.16: Projects and Development Activities Resulting from Francophonie Summits
- Table 3.17: United Nations Educational, Scientific and Cultural Organization (UNESCO)
- Table 3.18: United Nations Organization (UN)
- Table 3.19: United Nations Peacekeeping Operations
- Table 3.20: World Health Organization (WHO)
- Table 3.21: World Trade Organization (WTO)

Table 4: Up-Front Multi-Year Funding (formerly the Foundations [Conditional Grants] table)

Program Activity: Diplomacy and Advocacy

- Table 4.1: Asia Pacific Foundation of Canada
- Table 4.2: Centre for International Governance Innovation (CIGI)
- Table 4.3: Forum of Federations

Table 5: Horizontal Initiative—Global Peace and Security Fund (GPSF)

Table 6: Sustainable Development Strategy (SDS)

Table 7: Green Procurement

Table 8: Responses to Parliamentary Committees, External Audits and the Auditor General

- Table 8.1: Responses to Parliamentary Committees
- Table 8.2: External Audits
- Table 8.3: Responses to the Auditor General

Table 9: Internal Audits, Evaluations and Mission Inspections

- Table 9.1: Internal Audits
- Table 9.2: Evaluations
- Table 9.3: Mission Inspections

3.1.3 Contact Information

Department of Foreign Affairs and International Trade

Telephone: 1-800-267-8376 toll free in Canada
613-944-4000 in the National Capital Region and outside Canada
TTY: 613-944-9136
Fax: 613-996-9709
Web: www.international.gc.ca

Address: Enquiries Services (BCI)
Department of Foreign Affairs and International Trade
125 Sussex Drive
Ottawa, ON K1A 0G2
Email: enqserv@international.gc.ca
Media Services: 613-995-1874
Fax: 613-995-1405

Organizations Related to the Department

Canadian Commercial Corporation

Address: 1100 – 50 O'Connor Street
Ottawa, ON K1A 0S6
Tel: 1-800-748-8191 toll free in Canada or 613-996-0034 in the National Capital Region and outside Canada
Fax: 613-995-2121
Web: www.ccc.ca

Canadian International Development Agency

Address: 200 Promenade du Portage
Gatineau, QC K1A 0G4
Tel: 1-800-230-6349 toll free in Canada or 819-997-5006 in the National Capital Region and outside Canada
Fax: 819-953-6088
Web: www.acdi-cida.gc.ca

Export Development Canada

Address: 151 O'Connor Street
Ottawa, ON K1A 1K3
Tel: 613-598-2500
Fax: 613-237-2690
TTY: 1-866-574-0451
Web: www.edc.ca

International Development Research Centre

Address: 150 Kent Street
Ottawa, ON K1P 0V2
Postal Address: P.O. Box 8500
Ottawa, ON K1G 3H9
Tel: 613-236-6163
Fax: 613-238-7230
Web: www.idrc.ca

International Joint Commission

Address: Canadian Sector
234 Laurier Avenue West
22nd Floor
Ottawa, ON K1P 6K6
Tel: 613-947-1420
Reception: 613-995-2984
Fax: 613-993-5583
Web: www.ijc.org

North American Free Trade Agreement

Address: Canadian Section
90 Sparks Street
Suite 705
Ottawa, ON K1P 5B4
Tel: 613-992-9388
Fax: 613-992-9392
Web: www.nafta-alena.gc.ca/

Passport Canada

Address: Passport Canada, Foreign Affairs and International Trade Canada
Gatineau, QC K1A 0G3
Tel: 1-800-567-6868 toll free in Canada and the United States
TTY: 819-997-8338 or 1-866-255-7655
Web: www.ppt.gc.ca

Rights & Democracy: International Centre for Human Rights and Democratic Development

Address: 1001 de Maisonneuve Boulevard East
Suite 1100
Montreal, QC H2L 4P9
Tel: 514-283-6073 or 1-877-736-3833
Fax: 514-283-3792
Web: www.ichrdd.ca